By Mr. BROTZMAN:

H. Res. 964. Resolution creating a standing Committee on the Environment; to the Committee on Rules.

By Mr. OWENS (for himself, Mr. GINN, Mr. HECHLER of West Virginia, Mr. WON PAT, Mr. BAFALIS, Mr. KING, Mr. DUNCAN, Mr. BAUMAN, Mr. DE LUGO, Mr. LOTT, Mr. FRENZEL, Mr. JONES of North Carolina, Ms. SCHROEDER, Mr. CLEVELAND, Mr. WHITEHURST, Mr. RIEGLE, Mr. PEPPER, Mr. STUDDS, Mr. GUNTER, Mr. COHEN, Mr. MCKAY, Mr. WALDIE, Mr. KYROS, Mr. ICHORD, and Mr. BLATNIK):

H. Res. 965. Resolution to express the sense of the House with respect to the allocation of necessary energy sources to the tourism industry; to the Committee on Interstate and Foreign Commerce.

By Mr. OWENS (for himself, Mr. ROE, Mrs. BOGGS, Mrs. HECKLER of Massachusetts, and Mr. LEHMAN):

H. Res. 966. Resolution to express the sense of the House with respect to the allocation of necessary energy sources to the tourism industry; to the Committee on Interstate and Foreign Commerce.

MEMORIALS

Under clause 4 of rule XXII,

370. The SPEAKER presented a memorial of the Senate of the Commonwealth of Massachusetts, relative to student fares on airlines; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. LUJAN:

H.R. 13356. A bill for the relief of Gloria Chavez; to the Committee on the Judiciary.

By Mr. SISK:

H.R. 13357. A bill for the relief of Mrs. Dorothy Hinck; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

399. The SPEAKER presented a petition of Miro Nohavec, Franklin Lakes, N.J., relative to redress of grievances; to the Committee on the Judiciary.

SENATE—*Thursday, March 7, 1974*

The Senate met at 10 a.m. and was called to order by Hon. DEWEY BARTLETT, a Senator from the State of Oklahoma.

PRAYER

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

Eternal Father, we thank Thee for the love which "suffereth long and is kind—doth not behave itself unseemly, seeketh not her own, is not easily provoked, thinketh no evil, rejoiceth not in iniquity but rejoiceth in the truth." Show us the lesson of history that as with men so it is with nations "whom the Lord loveth he chasteneth." In our time of discontent and confusion may we seek to understand others as we would be understood by them. May we trust those who repose trust in us. May we seek to serve rather than be served. Above all else may we have faith in Thy providential care over the nation which covenants to know and to do Thy will. And may we have peace in our souls and be at peace with all men.

We pray in the Redeemer's name. 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 second assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., March 7, 1974.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. DEWEY BARTLETT, a Senator from the State of Oklahoma, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. BARTLETT 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 Wednesday, March 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.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations on the Executive Calendar.

There being no objection, the Senate proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. The nominations on the Executive Calendar will be stated.

THE JUDICIARY

The second assistant legislative clerk read the nomination of Thomas E. Stagg, Jr., of Louisiana, to be U.S. district judge for the western district of Louisiana.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

DEPARTMENT OF JUSTICE

The second assistant legislative clerk read the nominations in the Department of Justice as follows:

Carla Anderson Hills, of California, to be an assistant attorney general.

Hosea M. Ray, of Mississippi, to be U.S. attorney for the northern district of Mississippi.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

NATIONAL LIBRARY OF MEDICINE

The second assistant legislative clerk proceeded to read sundry nominations in the National Library of Medicine.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be notified of the confirmation of these nominations.

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

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Does the distinguished acting minority leader desire recognition at this time?

Mr. GRIFFIN. No, Mr. President, thank you.

FAIR LABOR STANDARDS AMENDMENTS OF 1974

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume the consideration of the unfinished business, S. 2747, which the clerk will state.

The second assistant legislative clerk read as follows:

S. 2747, to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rate under that act, to expand the coverage of the act, and for other purposes.

The Senate resumed the consideration of the bill.

Mr. GRIFFIN. Mr. President, what is the pending question?

The ACTING PRESIDENT pro tem-

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pore. The question is on agreeing to the Taft-Dominick amendment, No. 985.

Mr. GRIFFIN. Mr. President, how much time remains on that?

The ACTING PRESIDENT pro tempore. No time has been used so far.

Mr. GRIFFIN. Mr. President, I suggest the absence of a quorum and ask that the time be charged equally against both sides on the amendment.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

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

The Senator from Ohio is recognized.

Mr. TAFT. Mr. President, what is the pending business?

The ACTING PRESIDENT pro tempore. The pending question is on agreeing to the amendment of the Senator from Ohio, amendment No. 985.

Mr. TAFT. Mr. President, I have offered this amendment to the minimum wage bill relating to the matter of setting pay for Members of the Senate and Members of the House. This, of course, is the same subject generally that was debated yesterday when we had the Commission's recommendation before us which was disapproved by the Senate, resulting in no increases, a position which I supported.

I would explain procedurally that it was impossible under the procedure by which the Commission recommendation came to the Senate to introduce the amendment I have now introduced to the minimum wage bill on the Commission's recommendation because of the fact that it would have constituted legislation in the form the amendment is drawn, and I think the necessary form; and legislation is not permitted to be added to a Commission recommendation of that kind under the authorizing statute.

Therefore, I am offering the amendment today. I believe that the Senate should have an opportunity to express its general opinion upon the subject. The effect of the adoption of the amendment would be to eliminate from the Commission the procedure for salary setting of Members of the Senate and the House and leave the matter of setting the salaries of the Senate and House Members entirely up to those bodies by independent legislation.

Mr. President, the Federal Salary Act of 1967 provides that the Wage Commission has jurisdiction over all the Federal salaries including those of Members of Congress. The amendment would remove the Commission authority over congressional salaries.

The distinguished chairman of the Committee on Post Office and Civil Service, the Senator from Wyoming (Mr. McGEE) is on the floor with us today and the committee has expressed its view by reporting legislation which eliminated the pay raise given Members of the Congress by the President's proposal.

I believe congressional salaries have been hidden in other legislation of this sort for too long. I feel when the Senate or the House, for that matter, feels that a raise in salary is necessary and deserved that this question should be debated openly as any other legislation and not resolved in a closed committee room, screened from the public.

The back-door approach to dealing with congressional salaries is at best unwise when public confidence and trust in Government is at an alltime low.

Perhaps if all the facts were bared, congressional salary increases would not have to be passed up out of fear of retribution by voters and could be legislated when justified and necessary, based on the cost of living. We must be open and candid with the people.

When I was a Member of the House of Representatives, I opposed congressional pay raises and the Commission established for the purpose of raising such salaries. On March 11, 1969, after having studied that matter further, I introduced legislation in the House to rescind the pay increases for Members of Congress and other Federal officials pursuant to Presidental recommendations in the budget for the 1970 fiscal year, and to abolish the quadrennial Commission on Executive, Legislative and Judicial Salaries.

I continue to have the feeling that the Wage Commission is an inappropriate method to determine pay raises for Members of Congress. In addition, with the spiraling inflation and the effect it is having on our economy, I believe it would be unwise and show a poor example for Members of Congress to receive large pay raises at a time when we are asking the people of this country, our constituents, to tighten their belts. This amendment would preclude the possibility of quiet back-door raises for Congress.

I do think that those employees who are on the Federal payroll should be paid fairly and we should have the courage to say so. A pay raise for other Federal employees is fair in view of the increase in the cost of living, and I have supported it, in order to keep first-class people in Government service. I have not supported congressional pay raises in the past, which seemed to me excessive and adopted by a procedure of which I could not approve.

Mr. President, I feel we have had an assurance to a degree from the distinguished chairman of the committee that this whole matter of the Salary Commission is going to be considered in committee this year.

I have taken that into account in still pressing this amendment. The distinguished Senator from Wyoming, chairman of the committee, has indicated that he wants to have hearings and hear any proposals. I have a bill, incidentally, in the same form as the amendment that is pending, and which presumably would be heard in the Senator's hearings in the committee on this subject.

However, in view of what is the current crisis, not so much insofar as Members of Congress are concerned, but insofar as the other salaries that were defeated yesterday are concerned, I wonder if it would not be desirable to move more expeditiously than that and see if we cannot speed up the procedure of getting a fair consideration, other than for Members of Congress and having a direct consideration of Members of Congress.

I especially feel that action taken at this time on this amendment, if it should be favorable, would be very helpful in giving the committee an indication of the direction in which the Senate feels we ought to go insofar as whether we should continue a Commission approach or go back to a direct legislative approach as to senatorial and congressional salaries.

I wonder whether the distinguished chairman would comment on what his feelings would be in that respect, as to whether it would be a *helpful* thing to have a vote on the amendment at this time.

I will yield to the Senator.

Mr. McGEE. Mr. President, I shall be delighted to respond to my colleague from Ohio, and in this way: First of all, the legislation that is now on the books, the Federal Salary Act of 1967, was not designed to sneak by or exclude Congress, but to leave a congressional option specifically in the law, and, as the dialog and the colloquy in this body of the last several days would clearly reveal, this was an option of disallowance. This was the relevant option that has been allowed, permitting congressional discussion and disclosure of all positions and points of view. Not only was there no attempt to hide; if anything, the congressional thoughts were flaunted in very sharp rhetoric sometimes, and they were thoroughly aired.

The effect of our extended discussion of this point in the past few days made it very clear that the Congress may disapprove of the existing law, at least at this time, but probably that view means either the dismantling of the law or the redirecting of it. We do not know which. The point is, as a result of yesterday's vote, the Senator was here, I think, when I made the commitment to this body, as chairman of the committee, and seconded by the ranking minority member of the committee. The Senator from Hawaii (Mr. FONG), that as a result of this action, we would lay this matter out in detail before committee hearings, including hearings on the bill that the Senator from Ohio has introduced, as one of those being considered by the committee.

Simply as a matter of orderly procedure, I would hope that the Senator would agree to respect the committee's responsibilities in that direction, because we are going at it no-holds-barred on the whole front that this problem now presents to us.

But in particular as to the Senator's last suggestion, in other words, the equity, on some short-term action, at least in regard to those other than Members of Congress, we have likewise followed up on the suggestion made in this body yesterday by the majority leader that perhaps this is the time, now, in open and aboveboard legislation, to address ourselves to cost-of-living adjustments, and whether such adjustments would apply also for Members of Congress is what we have to thrash out. We do not know, but we are committed to

bringing something back to this body in the cost-of-living realm, to relieve the compression that exists now for so many of the administrators in the Federal structure, and we are determined to report back to this body some kind of recommendation, after some shorter period, in the matter of a very few weeks.

My guess is that it would be no later than the middle of April, perhaps by the end of March, if we can get all relevant people to address themselves to the problem.

We have drafted such a measure and introduced it, but this subject is very complex. That sort of legislation should not be reported out of committee without due deliberation. I think we ought to sort it out on a short-range, cost-of-living approach, and then the committee would decide through the will of this body, whether we ought to also include the Members of Congress as well as the Federal employees at the top administrative levels.

Frankly, this morning I do not have the specifics to submit, but I do make the pledge, which I renew again, that there will be no delay on this aspect of it.

On the broader aspect of how we restructure the whole system and whether or not it includes a pay commission or some kind of pay commission, and separating Congress from it, I think before we dismantle the pay commission procedure we ought to use the expertise which a commission can provide at this time, and which we are writing the President to request, to submit the best of its findings on a much broader basis, on the complexities of the problem, rather than dismantle the commission idea with legislation now, we would like to tap their brains and see what they have.

That is the real reason why I would hope the Senator from Ohio might be willing to accept this personal pledge from the chairman of the committee; that that is the only reason for not acting upon it today; that we would like an honest opportunity to approach this matter from all directions and see if we cannot come up with a new and constructive and responsible approach to this much broader question.

Mr. TAFT. Mr. President, I thank the distinguished chairman for his comments. I find myself somewhat reassured by the time frame the chairman is discussing. When I first heard it discussed, I thought it was in the time frame of 1 year, but now he is talking about a few months or——

Mr. McGEE. A few weeks.

Mr. TAFT. Or a few weeks.

I had talked to some of these men who would be involved, and their families. Frankly, we are extremely likely to lose some valuable men in the Federal Establishment, in the scientific areas particularly, experts who are working in the Federal Establishment at a real sacrifice, who were hoping they might get some fair and comparable consideration as to what they would receive outside.

Also, in the field of the judiciary, we had discussions as to men actually turning down the opportunity to become U.S. district judges simply because the pay scale is not comparable and is not adequate and is not satisfactory to them and their standards of living as far as supporting their families is concerned.

I think it is extremely important to the Government as a whole that prompt action be taken to reconsider this entire area.

Frankly, I am very, very dubious as to whether the commission approach, insofar as Congress is concerned, is going to be helpful in that. The tying together of the two particularly is unfortunate, in my opinion.

I do not like the commission approach anyway. It ought to be a different commission. This recommendation including the other salaries tends to obscure the thing we are trying to do. I think it is impossible to do. However, to give that appearance is particularly unfortunate.

The impact of this amendment is to try to take that away.

Certainly it is true that it has been debated here on the floor and there will always be a debate on the matter when it comes up. It is also true, as the experience in the last 2 or 3 days will show, that it takes a two-thirds vote of the Senate to disapprove a pay recommendation coming from the commission.

I cannot think of anything much sillier than the situation we might find ourselves in where a pay raise would go into effect when a majority of the Members voted against it, but not a two-thirds vote of the Senate.

I think the committee ought to take that into consideration. Another factor that ought to be taken into consideration is that outside of here there have been discussions and concern expressed, and very properly so. I think that I have joined some of it myself. Concern has been expressed that the Congress tended to give away power to the President or that the executive usurped the power of the Congress.

Why in the world the executive branch of the Government should have anything to do with setting the salaries of Congress I cannot see.

The fact that we have a commission to set up the salaries of other officials is proper. However, why should we bring the President into it? It seems to me that is wholly extraneous and contrary to the principle of the separation of powers. I hope that the commission will concur when it considers this matter in the belief that the President really should not be involved in this entire area.

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

Mr. TAFT. Mr. President, I am glad to yield to the Senator from Alabama.

Mr. SPARKMAN. Mr. President, I want to say that I fully agree with the statement which the Senator made. After all, we make much of the separation of the different branches of the Government. I do not think that the President should have the job of proposing what salaries the Members of the Congress should receive. I think that the Members of the Congress ought to decide that for themselves. And I believe that it was intended to be that way.

There has been a great deal of misunderstanding throughout the country regarding the proposed increase in congressional salaries this year. I have read articles, columns, editorials, and newsstories indicating that Congress was trying to grab a sizable increase in pay for the Members of the Congress. Congress has had nothing to do with it. The increase was proposed by the President of the United States. And I suppose that the record has been made complete now to establish that Congress turned down a proposal. Is that correct?

Mr. McGEE. The Senator is correct.

Mr. SPARKMAN. Congress never did ask for it and did not seek it.

I want to say that I may differ with my distinguished friend, the Senator from Ohio, in one respect. That relates, if I understood the Senator correctly, to the matter of giving a pay increase to the other people in Government. I do not think that we should give it to them. I am not including the lower levels of the civil service employees. I believe that they get a cost-of-living increase automatically. I think that all of those employed by the Government may be entitled to a cost-of-living increase as the cost of living increases yearly, or whenever it may be. However, a lot has been said about this.

I have had good friends of mine call me from my State and say that we need to pay these judges more because they can make a whole lot more outside. I imagine that a good many Members of the Congress could make more money outside of Congress than they could make here. However, somehow or other a lot of people seem willing to make a sacrifice and to seek election to the House or Senate. No consideration is given to them on the ground that they can make more money outside.

I imagine that the average judge could make more money any time practicing law than he could make by being a judge. However, there is an appeal to the office.

Most lawyers would gladly be a judge. I have known Members of this body who left in order to become a judge. The same is true of the House of Representatives. It is not a matter of the amount of money one gets or whether he could make more doing something else or not. It is a matter of getting adequate pay for the job a man is doing, pay in line with other employees outside of the Federal Government.

I have never understood why this is. I know that the Senator from Wyoming is an expert on this matter. However, I have never understood why the higher paid congressional employees had a certain tie-in with executive employees in the executive department.

I remember that a couple of years ago we could not pay our administrative assistants the amount of money that the payroll of the Senate and Congress provided because there were executive employees downtown who had not gotten a raise. We had to wait until they got a raise before we could act. I have never understood why the legislative employees are tied together with the executive employees.

I notice in the proposal for a pay raise that the executive employees were going to get a substantial raise. And the cry

is raised that these employees will leave if they do not get a raise. I do not believe that we have had many leave, and I do not believe that we can expect to have many leave.

I hope that the chairman of the committee that has jurisdiction over this matter will consider it further. The committee that has jurisdiction over this matter has done a wonderful job with this. I think that the proposal made in the Senate for disposing of this matter is a good, sensible solution that should be accepted. I know that he and his committee will work this out. However, we ought to keep it on an established keel and work it out together and not work it out group by group.

Mr. TAFT. Mr. President, I thank the Senator from Alabama for his remarks.

I think there is one thing that should be made clear with regard to his remarks.

I did not mean to imply that I thought this would cover the financial incentive to attract people into Government service. I think there is a real danger that we will lose some of those people if they believe that the pay is not adequate. I believe that at least they ought to be able to make as much as they would make if they were not in the Government service.

That is all that I meant to infer.

Mr. McGEE. Mr. President, will the Senator yield

Mr. TAFT. I yield.

Mr. McGEE. Mr. President, the Senator from Alabama raises two or three points, and it might be helpful if we were to spell them out a little further before we pick on the President prematurely or excessively or wrongly on this question.

The law was put together by Congress. Congress drafted the legislation. The basic motivation for it came from the House, and the Senate committee concurred in it. The reason that the President was put at the helm of this was that this coincides with the responsibility of the administration to submit a budget to the Congress. The salaries become an integral part of the budget presentation.

Second, somebody had to take the initiative to put this together. And on the Pay Commission to be appointed by the President every 4 years, the President himself was required to appoint three from outside Government from the private sector, from which three the chairman of the Commission would come.

Then the Congress was to appoint two on the part of the Senate and two on the part of the House, and the Chief Justice would appoint two more on the part of the court.

That was the distribution that Congress envisaged. It was not to have the President seize the ball and run with it, but the commission was given a responsibility, and the office of the President was simply the medium for making it operational and putting it together, and then it was only to make a recommendation.

In 1969, when this commission made its recommendation, Congress worked its will on it. The recommendation at that time was that the President get $200,000, that the Vice President get $62,500, that the cabinet members get $60,000, that the Members of Congress get $50,000, and so on. But Congress in its wisdom—I think wrongly, but that is only one man's vote—decided $50,000 was not the right spread. We decided Congress ought to get only $42,500, while the Cabinet got $60,000. But that was the result, and Congress had a free hand in making the determination or rejecting the whole thing.

So, while I am not always a spokesman for the executive branch of the Government, I do think that ought to be spread on the RECORD as the setting and the perspective which accompanies and surrounds this problem we are talking about here today.

The other point that was raised by the distinguished Senator from Alabama had to do with the offices that we are talking about, and how we ought to approach them. We all know that we could find thousands of individuals in each of our home States who would be delighted to come here and serve in the Senate at $42,500, or $30,000, or $22,500, or $15,000. That not only demeans the office, it really is not the point.

The point is, given what has happened in our country's economy, what happens to the offices of President and Vice President and the cabinet? What happens in the relative sectors of economic incentive, as it were? How do you structure a Federal pay system so that it comports at least in a respectable way with the private sector? Because under our philosophy, our economics, capitalism and the capitalist incentive, there is a great deal attached to the integrity of an office in proportion to its pay. That is why those with greater responsibility receive more.

If we do not think that Congress really is encumbered with that kind of responsibility, or we think Congress should not be, then we ought to say that, and let us put the Congress down to part time, a few weeks a year or whatever it may be, and pay them accordingly, and let the President run the Government. He is paid $200,000 a year. He is the only one who has a chance of competing with the 12th vice president of General Motors. He is the only one who approaches the salary structure of the subservants beneath the head of General Motors.

If that is our intent, then we ought to give the President more power. What I am saying is, we ought to get ourselves out of this as individuals and decide what the office of U.S. Senator ought to be structured at in the pay incentive hierarchy under the American system. That ought to comport with our role in the world; it ought to comport with our budget responsibilities with a $300-billion-a-year budget, which we are required to sort through and hopefully make wise judgments on; it ought to comport with a $3 trillion GNP, with a Government on whose shoulders rests the fate of the rest of the world, for better or worse, even as we make an incidental decision in these times.

I wish we could take Senator TAFT, Senator SPARKMAN, and Senator MCGEE out of this consideration, and look at the office of U.S Senator and at the responsibilities of the grades 16, 17, and 18 administrators. I could give a very long list of examples. I do not want to embarrass the individuals who are in these roles, but I visited with a man yesterday, at my request, who has probably saved the taxpayers of this country several billion dollars because he rides herd, as a high-level administrator in the professional realm, on the expenditure of public funds. He is now being lured away because of the ceiling that has been hit in his case; he is receiving $36,000, because that is the ceiling set for level V of such adminstrative employees.

Another one I could mention has likewise saved the taxpayers billions of dollars; his responsibility has been to try to systematize and keep responsible the pay grades, and not to have them run away disproportionately from all the others.

I could tell you that story on and on and on. That is why there is real point to this Senator's suggestion that we have got to do something without delay, and I have committed him to make an effort to do that, so that we can adjust that fix on the $36,000, to make it possible for that responsibility to be measured in more realistic economic terms.

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

Mr. McGEE. As we do that, and we must do it, that likewise means that we are going to be faced with the problem of the equities in that adjustment vis-a-vis the Members of Congress. But I must agree that the Members of Congress ought to have a straight, head-on crack at all this, in order to measure their own status. I think that is very important.

Mr. TAFT. If the Senator will yield, I gather that the Senator does not feel it would be helpful to him or the committee to have a vote by the Senate at this time on the basic question of whether or not they feel senatorial and congressional salaries should be set under the commission or not?

Mr. McGEE. Well, in general, I think we had a very ringing notification on that in the votes yesterday. I think if we want to change actual legislation that the committee reported out in another year, in 1967, we would like a crack at doing it in or modifying it along the lines suggested by the Senator from Ohio, or whatever else it may be; we would like to have that in the markup as one of the legislative options, as well as the Senator's bill that he has introduced, which is in committee right now, and a whole parcel of other measures, each designed to do something about this, to achieve greater wisdom in how it comes about. We would like the opportunity, no holds barred, to try to go at it as responsibly as we can.

Mr. TAFT. If the Senator will yield further, I am not sure I agree with the Senator, but I highly respect his committee's responsibilities and problems, and as I said, while I am not sure it would not be helpful to have a vote, it is true, I recognize, of course, that the amendment which I have offered here this morning could be offered, probably, on another piece of legislation as the schedule progresses, and we can keep it as an escape valve in that direction. In view of the chairman's request and expression of desire, at this time I would with-

draw my amendment and hope that we can see prompt action by the committee on the subject.

Mr. McGEE. I thank the Senator for his consideration on that score. I also wish to express genuine appreciation for his making it possible to bring out these several facets, that we may spread them on the legislative record, in order to provide further background from which the committee will be better able to proceed as it deliberates on the question.

Mr. TAFT. One thing is abundantly clear, and that is that the commission proposal has not worked. I hope the committee will be able to come up with something that will work. We have a problem on our hands.

Mr. President, I withdraw the amendment.

The ACTING PRESIDENT pro tempore. The amendment is withdrawn. The bill is open to further amendment. Are there further amendments to be proposed?

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum, and ask unanimous consent that the time not be charged.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. TAFT. Mr. President, I call up my printed amendment No. 982 and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 46, line 11, beginning with the word "The" strike out through the period on line 17 and insert in lieu thereof the following: "The Secretary of Labor, and the Secretary of Commerce, and the Council of Economic Advisers shall each conduct studies on the economic effect of amendments to this Act which increase coverage of workers, modify or repeal exemptions, or increase the minimum wage. Such studies shall be forwarded to the Congress before any change in the Fair Labor Standards Act is adopted.".

Mr. TAFT. Mr. President, this is a rather simple amendment. It would merely require that the Secretary of Labor, the Secretary of Commerce, and the Council of Economic Advisers shall each conduct studies on the economic effect of amendments to the Fair Labor Standards Act, so as to permit the consideration by Congress of such studies before any change in the act could be adopted.

The amendment would permit Congress to act upon the expertise of these Federal agencies as to effects on unemployment and related data from the Department of Labor; effects on commerce, particularly small business from the Department of Commerce; data on the impact to the economy from a macro viewpoint from the Council of Economic Advisers. For intelligent decisions to be made in this area I believe such criteria is absolutely vital. The approach I have suggested will constructively supplement the current information that is provided to the Congress by the Department of Labor and will permit the pertinent committees in the House and the Senate an opportunity to develop more expertise in this area.

The experience we have had in committee in attempting to ascertain what the possible employment effect might be of changes in the minimum wage law, changes in the exemptions, and changes in the minimum wage itself has convinced me that we simply do not have adequate data on which to base our decisions.

With regard to inflation, similarly, the Department of Labor has made certain studies and has certain statistics, but the fact is that we are limited, pretty much, in the committee because the Department of Labor has meager resources in this connection, and that seems to hamper any important decisions as to what the effects are from the inflationary point of view on changes in the minimum wage law.

I, therefore, submit the amendment and hope that it can be adopted.

Mr. WILLIAMS. Mr. President, will the Senator from Ohio yield?

Mr. TAFT. I yield.

Mr. WILLIAMS. The amendment does not make any provision for an authorization for the purpose of undertaking this rather involved approach to the study. Does the Senator have estimates of what, ultimately, will be necessary from a budget standpoint for this study?

Mr. TAFT. No, I do not have estimates. Presumably, if we authorize studies to be made, they would be included in the budget submitted by the Department and would go through the authorization and appropriation process.

I do not anticipate that the nature of the studies would be such that there would be any real necessity for additional money to be involved. It would be financially advantageous to use existing experts in the Department of Commerce and the Council of Economic Advisers.

Mr. WILLIAMS. Well, the only estimate we have on our hearing record, or the record of debate here, which came on the Buckley amendment last year, was $10 million for additional studies by the Department of Labor. I do not see how this can have any meaning unless the bureaucracy is built to meet new demands.

Mr. TAFT. I think the Senator has made my point for me. The studies that were discussed in connection with the Buckley amendment were comprehensive studies under the impact of the various changes proposed. This would require, in effect, the setting up in the Department of Labor of a new and I think largely duplicative effort of existing information and existing steps that already are in these various other departments. If we can have authority to call on the Secretary of Commerce and the Council of Economic Advisers and have them with their present staff make the studies necessary under their present budgets, it would be without additional expense and without the necessity of setting up an expanded study operation in the Department of Labor, which is what I am trying to avoid.

Mr. WILLIAMS. On my time, Mr. President, this approach, if it has any merit, certainly has not had the necessary forerunner of consideration in committee. We have no idea what the Commerce Department or the Council of Economic Advisers feel about this new responsibility that would be added to them. I have no idea whether the Council of Economic Advisers is in a position to undertake any of these economic studies called for under this amendment. It would be certainly very unwise to put upon them a new responsibility without knowing whether they can accept it and if they cannot accept it with their present personnel and their present administrative structure, we ought to know about it. It impresses me that we are here falling into an old and unhappy way of doing business, with more bureaucracy, more personnel, more overlap, and more confusion, when all of this effort is now directed and has been directed where I think it most importantly and singularly belongs, in the Department of Labor, where this responsibility has been theirs.

I just think we would be getting into a monstrous confusion if we had no estimate of the dimension or the expense and no views from the administration. I strongly oppose this approach and particularly because we are dealing without any of the basic information for intelligent judgment.

Mr. TAFT. Mr. President, I might point out that we are relying on some information from these departments in any event. As I understand the reports from the Council of Economic Advisers, it seems to me it has been evident in our hearings on questions so complicated and involved from an economic point of view such as the impact on the inflationary pressures in this country through the so-called wave effect of minimum wage increases upon other areas, upon the whole question of what the employment picture is going through, and how it is going to be affected, that I think these other departments already have this expertise. It does not exist to the degree that we could get a report out of the Department of Labor. I cannot see additional bureaucracy. On the contrary, I think we would avoid it by calling on them, where there would be no additional expense.

I believe the Council of Economic Advisers is adequately set up to make studies of this kind. That is their job. The same is true of the Department of Commerce. This would be extremely helpful in the future in deciding what to do in considering amendments to the Fair Labor Standards Act.

Mr. WILLIAMS. Mr. President, this is still on my time.

The PRESIDING OFFICER. The Senator from New Jersey is recognized.

Mr. WILLIAMS. First, I wish to describe what the present law is, and it continues with additional demands and requirements upon the Department of Labor. The law as the bill would amend it does provide:

(d)(1) The Secretary shall submit annually in January a report to the Congress covering his activities for the preceding year

and including such information, data, and recommendations for further legislation in connection with the matters covered by this Act, as he may find advisable. Such report shall contain an evaluation and appraisal by the Secretary of the minimum wages *and overtime coverage* established by this Act, together with his recommendations to the Congress. In making such evaluation and appraisal, the Secretary shall take into consideration any changes which may have occurred in the cost of living and in productivity and the level of wages in manufacturing, the ability of employers to absorb wage increases, and such other factors as he may deem pertinent. *Such report shall also include a summary of the special certificates issued under section 14(b).*

(2) The Secretary shall conduct studies on the justification or lack thereof for each of the special exemptions set forth in section 13 of this Act, and the extent to which such exemptions apply to employees of establishments described in subsection (g) of such section and the economic effects of the application of such exemptions to such employees. The Secretary shall submit a report of his findings and recommendations to the Congress with respect to the studies conducted under this paragraph not later than January 1, 1976.

Mr. President, this continues the authority; it expands the authority and the requirements of the Secretary of Labor and the Labor Department.

The economic effects study of the Department of Labor has just recently been submitted in response to the legal demand, as it is now. I have here the most recent report submitted. This job is being done; it has been done; and it is being done. Under the bill before us, it most completely does the job.

I think this amendment is unnecessary; it is confusing. Therefore, I strongly oppose the amendment.

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

Mr. WILLIAMS. I yield.

Mr. JAVITS. Mr. President, the amendment to which the Senator just referred happens to be mine. I put it in committee precisely to get the information which is here asked for in the amendment of the Senator from Ohio (Mr. TAFT). The thing that stops me about the amendment, and why I would join the Senator from New Jersey (Mr. WILLIAMS) in strong opposition to it, is not only the reflection on the Secretary of Labor which is contained in the amendment—we have asked to do the very thing the Senator from Ohio (Mr. TAFT) has asked him to do—but the fact is that the Secretary of Commerce is responsible to the Commerce Committee. Any member of that committee can grill him on this subject at any time, and not just on the filing of the report. The Council of Economic Advisers goes before the Joint Economic Committee, of which I am the ranking Republican member, and have the same right. But the thing that stops me most strongly on this amendment is the last sentence, which would give a blockage to these other agencies, so that we cannot even consider a change in the Fair Labor Standards Act until we got their recommendations. This is a real way to hang us up, and I see no reason for it.

So I join the Senator from New Jersey (Mr. WILLIAMS) in his strong opposition to the amendment.

Mr. DOMINICK. Mr. President, will the Senator yield me 3 minutes?

Mr. TAFT. Mr. President, I am glad to yield to the Senator from Colorado.

Mr. DOMINICK. Mr. President, as a cosponsor of the amendment, I think I ought to say something on it, anyhow, not that it is going to change anybody's mind in the Senate. We have two here for it and two against it. We have the ranking member and the Senator from Oklahoma on my right. If they wanted to get a bigger crowd than this, they would schedule debate for this afternoon; and if they wanted to get a lesser crowd, they could schedule it for midnight tonight.

It is very frustrating to try to argue something on this floor which is important to all Americans and have everybody else tied up either in his office or in committee. Three of my committees are going right now. I imagine it is true of other Senators. At one time the rule in the Senate was that no committee shall sit while the Senate is in session. I am not sure it would do any good even if I objected to committees meeting, because every Senator has work to do in his office. So all I can say is that this is an exercise in futility, much as I agree with the Senator from Ohio.

We are going to go through, unless we adopt this amendment, the same old procedure we have been through before, and that is, we pass a bill and then we study it to see whether it might work. It seems to me not a good way to legislate. If we are going to do something, we ought to find out what the facts are first. The only facts we have are testimony from last year from the Secretary of Labor, who indicated that they did not have any facts; that they did not know what the cost of increasing minimum wage would be; that it was a very difficult thing to try to ascertain; that they had not really gone into it extensively. They also testified as to some of the exemptions which are repealed or modified in toto in this bill, and all of which were put in for particular reasons in past years that had had some studies done on them. They think some could be changed, but others they do not know about; they had had nothing to do with them.

So why in the world we should go ahead with this type of procedure, when the Senator and I have already put in a bill to increase the minimum wage without getting into this rigmarole, I for the life of me I cannot see. I am sure it is going through. I am not naive. I can count noses as well as anyone else.

What I am saying is I think it would be a good thing for the country, for this Congress, and for all the employees as well as employers in this country, to get a study and to get a reply from somebody other than just the Labor Department. We do not even have that as yet, and we are saying now we need one by 1976. But the bill goes into effect now, not in 1976. So we will have already created the very problem that the Secretary is supposed to be studying by the time any study comes along. That to me does not make very good sense. Perhaps I am being too logical, but it just does not.

If we adopt the amendment, we will have ended the progression of this wrong procedure; namely, enacting a bill and then studying it. I think the Senator from Ohio is totally right in this concept.

Mr. TAFT. I thank the Senator.

Mr. President, I yield myself 2 minutes. There has been some reflection by the distinguished Senator from New York upon the amendment by saying that the amendment tends to reflect adversely upon the Secretary of Labor. Quite the contrary. I certainly have no intention of that kind whatsoever. I would point out that the amendment which was put in by the Senator from New York, and is in the committee bill at the present time and was included by the distinguished chairman of the committee, did call for the comprehensive study, and the response of the Labor Department is that it is going to take $10 million in order to make the study. If it is a $10 million study and it is not going to be available until 1976, I do not think we are going to obtain significant economic data.

I do not know what is going to happen to this bill. The voting patterns would indicate that it might be vetoed again. Any amendments that are proposed to the bill, no matter what their substance, are being rejected by the committee. It has been said that there should be no consideration of any changes to the committee bill. If that happens, we will have hearings again. At that time I would welcome information and will welcome being in a position to ask for information from the department and the Council of Economic Advisers.

In the report of the majority, for instance, there is recognition of the effect of the Economic Stabilization Act amendments upon low wage workers.

Certainly, I cannot see why all the resources of the Government we have should not be called upon and be made available to report as to what the effect of the proposed changes of the minimum wage law will be. In effect, by rejecting this amendment, we are saying, "We do not want to get that information; we just want to get information from the Labor Department." I am not saying there is anything wrong with information from the Labor Department, although it has been difficult to get any meaningful data in this area from the Bureau of Labor Statistics and from other parts of the department in the past. I am merely trying to get information as to why we should move in particular directions or should not move in particular directions on the minimum wage law.

It seems to me the amendment is one that makes a good deal of sense, and certainly cannot do any harm.

Mr. President, I have completed my remarks. I am ready to yield back my time, and say that I expect to ask for a rollcall vote on this amendment.

I do not believe there are enough Senators present to get the yeas and nays ordered.

Mr. WILLIAMS. Mr. President, I yield myself 2 minutes.

I sometimes think it might be helpful if we had a rule of some kind that any Senator offering an amendment for further studies would be required to certify that he has read the studies we now have and that are now called for under law.

In this area we certainly are completely studied, and we have the benefit of the Labor Department studies dealing with every aspect of the legislation before us.

I included in the RECORD, on a prior day, a list of the studies; but, in a more abbreviated form, I ask unanimous consent Mr. President, to include the pages that list the studies of the Labor Department dealing with the economic effects of FLSA.

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

FEBRUARY 1973.

LIST OF ECONOMIC STUDIES PUBLISHED BY THE EMPLOYMENT STANDARDS ADMINISTRATION, 1954 TO DATE

I. INDUSTRY STUDIES TO TEST FEASIBILITY OF EXTENDING COVERAGE

1. Eating and Drinking Places, Preliminary report on data pertinent to an evaluation of the need for and the feasibility of extending the minimum wage, January 1962.

2. Laundry and Cleaning Service, Data pertinent to an evaluation of the need for and feasibility of extending the minimum wage, January 1962.

3. Hotels and Motels, Data pertinent to an evaluation of the need for and feasibility of applying statutory minimum wage and maximum hours standards, February 1962. (Value of tips in relation to cash wages.)

4. Restaurants and other Food Service Enterprises, Data pertinent to an evaluation of the need for and feasibility of applying statutory minimum wage and maximum hours standards, February 1962. (Value of tips in relation to cash wages.)

5. Hotels and Motels, Data pertinent to an evaluation of the need for and the feasibility of extending the minimum wage, January 1964.

6. Laundry and Cleaning Services, Data pertinent to an evaluation of the need for and the feasibility of extending the minimum wage, January 1964.

7. Restaurants and other Food Service Enterprises, Data pertinent to an evaluation of the need for and the feasibility of extending the minimum wage, January 1964.

8. Hired Farm Workers, Data pertinent to determining the scope and level of a minimum wage for hired farmworkers, January 1964.

9. Nongovernment Hospitals, A Study to Evaluate the Feasibility of Extending the Minimum Wage under the Fair Labor Standards Act, January 1965.

10. Hired Farmworkers, A Study to Evaluate the Feasibility of Extending the Minimum Wage under the Fair Labor Standards Act, January 1966.

11. Motor Carriers, A Study to Evaluate the Need for and Feasibility of Extending Overtime Provisions to Employees of Motor Carriers, January 1966.

12. Nursing Homes and Related Facilities, A Study to Evaluate the Feasibility of Extending Minimum Wage and Overtime Protection under the Fair Labor Standards Act, January 1966.

13. Laundry and Cleaning Services, A Study to Determine the Implications of Applying the Minimum Wage and Maximum Hours Standards of the Fair Labor Standards Act, January 1967.

14. Motion Picture Theaters, A Study to Evaluate the Feasibility of Extending Minimum Wage and Overtime Protection under the Fair Labor Standards Act, January 1967.

15. State and Local Governments, A Study to Evaluate the Feasibility of Extending Minimum Wage and Overtime Protection under the Fair Labor Standards Act, January 1971.

II. DISTRIBUTION STUDIES TO DETERMINE LEVEL OF THE MINIMUM WAGE

16. Manufacturing Industries, A Study to Evaluate the Minimum Wage and Maximum Hours Standards of the Fair Labor Standards Act, January 1965. (Relationship between employees working overtime and the level of their wages.)

17. Wholesale Trade, A Study to Evaluate the Minimum Wage and Maximum Hours Standards of the Fair Labor Standards Act, January 1965. (Relationhip between employees working overtime and the level of their wages.)

18. Wages and Hours of Work of Nonsupervisory Employees in All Private Nonfarm Industries by Coverage Status Under the Fair Labor Standards Act, January 1972.

III. STUDIES OF EFFECTS OF MINIMUM WAGE LEGISLATION

19. Results of the Minimum Wage Increase of 1950, published in 1954. (Economic effects in selected low-wage industries and localities.)

20. Studies of the Economic Effects of the $1.00 Minimum Wage: Interim report, March 1957. (Economic effects in selected low-wage industries and localities.)

21. Reports Submitted to the Congress in Accordance with the Requirements of Section 4(d) of the Fair Labor Standards Act, January 1959. (Effects of the $1.00 minimum wage in selected low wage industries and localities.)

22. Report Submitted to the Congress in Accordance with the Requirements of Section 4(d) of the Fair Labor Standards Act 1959, February 1960. (Appraisal of the $1.00 minimum wage and the Puerto Rico wage order program.)

23. Report Submitted to the Congress in Accordance with the Requirements of Section 4(d) of the Fair Labor Standards Act (1960), January 1961. (Appraisal of proposed legislation and wage levels in Puerto Rico.)

24. Report Submitted to the Congress in Accordance with the Requirements of Section 4(d) of the Fair Labor Standards Act, January 1962. (Appraisal of the effects of the 1961 Amendments.)

25. Report Submitted to the Congress in Accordance with the Requirements of Section 4(d) of the Fair Labor Standards Act, January 1963. (Effects in retail trade, nonmet areas of the South and North Central regions, and small met areas of the South.)

26. Effects of Minimum Wage Rates Established under the Fair Labor Standards in Retail Trade in the United States and Puerto Rico. A Study of Changes in Wage Structure of a Matched Sample of Retail Establishments, November 1963.

27. Report Submitted to the Congress in Accordance with the Requirements of Section 4(d) of the Fair Labor Standards Act. January 1964. (Appraisal of the 1961 changes and study of wholesale prices in selected low-wage industries.)

28. An Evaluation of the Minimum Wage and Maximum Hours Standards of the Fair Labor Standards Act, January 1965. (Effects in nonmet areas of the South, effects of the 44-hour standard in retail trade, and wholesale prices in selected low-wage industries.)

29. Minimum Wage and Maximum Hours Standards under the Fair Labor Standards Act, An Evaluation and Appraisal, January 1966. (Effects in nonmet areas of the South and North Central regions, and small met areas of the South.)

30. Retail Trade, A Study to Measure the Effects of Minimum Wage and Maximum Hours Standards of the Fair Labor Standards Act, January 1966.

31. Minimum Wage and Maximum Hours Standards under the Fair Labor Standards Act, the 1966 Amendments, January 1967. (Coverage under the Fair Labor Standards Act, implications of the $1.40 minimum in selected industries, and implications of the $1.00 minimum in non-Federal hospitals.)

32. Retail Trade, A Study To Measure the Effects of the Minimum Wage and Maximum Hours Standards of the Fair Labor Standards Act, January 1967.

33. Report Submitted to the Congress in Accordance with the Requirements of Section 4(d) of the Fair Labor Standards Act, January 1968. (Effects and implications of the 1966 Amendments, and special reports on prices, Puerto Rico and Fair Labor Standards Act coverage.)

34. Eating and Drinking Places, A Study of the Effects of the $1.00 Minimum Wage under the Fair Labor Standards Act, January 1968.

35. Hotels and Motels, A Study of the Effects of the $1.00 Minimum Wage under the Fair Labor Standards Act, January 1968.

36. Hired Farmworkers, A Study of the Effects of the $1.00 Minimum Wage under the Fair Labor Standards Act, January 1968.

37. Panama Canal Zone Study, A Study of the Effects of Extending the Fair Labor Standards Act Provisions to Federal Employees in the Zone, June 1968.

38. Minimum Wage and Maximum Hours Standards under the Fair Labor Standards Act, 4(d) report, January 1969. (Effects of the 1966 Amendments, and special reports on prices and coverage under the Fair Labor Standards Act.)

39. Nursing Homes and Related Facilities, A Study of the economic effects of the $1.15 minimum wage under the Fair Labor Standards Act, January 1969.

40. Laundry and Cleaning Services, A Study of the economic effects of the $1.15 minimum wage and 42 hours maximum workweek standards under the Fair Labor Standards Act, January 1969.

41. Hired Farmworkers, A Study of the effects of the $1.15 minimum wage under the Fair Labor Standards Act, January 1969.

42. Minimum Wage and Maximum Hours Standards under the Fair Labor Standards Act, 4(d) report, January 1970. (Effects of the 1966 Amendments, and special reports on prices and coverage under the Fair Labor Standards Act.)

43. Educational Institutions, A Study of the economic effects of the $1.30 minimum wage and 40-hour maximum workweek standards under the Fair Labor Standards Act, January 1970.

44. Hospitals, study of the economic effects of the application of minimum wage and maximum hours standards under the Fair Labor Standards Act, January 1970.

45. Minimum Wage and Maximum Hours Standards under the Fair Labor Standards Act, 4(d) report, January 1971. (Effects of the 1966 amendments and special reports on cash wages and value of tips of tipped employees in eating and drinking places and hotels and motels, equal pay act, characteristics of workers paid in violation of the Federal minimum wage standard, coverage under the act, and historical data on the relationship between the minimum wage and average hourly earnings.)

46. Hired farmworkers, an economic effects study of proposals to increase the minimum wage under the Fair Labor Standards Act and the feasibility of extending coverage to additional workers, January 1972.

47. Minimum Wage and Maximum Hours Standards Under the Fair Labor Standards Act, 4(d) report, January 1972. (Secretary of Labor's statement on proposed amendments to the act, effects of the last phase of the 1966 Amendments and special reports on wages and hours of work of nonsupervisory employees in all private nonfarm industries and hired farmworkers, coverage under the act, and the relationship between minimum wages and welfare reform legislation.)

48. Minimum Wage and Maximum Hours Standards under the Fair Labor Standards Act, 4(d) Report, January 1973 (Congressional activities to amend the FLSA, equal pay under the Act, administration and enforcement, special studies on wages and hours of work of nonsupervisory employees in selected nonagricultural industries and private household workers, recent independent studies of the FLSA, and coverage under the Act).

IV. ADMINISTRATIVE STUDIES

49. The Minimum Wage in Puerto Rico, A Background Study, November 1955.

50. Salary Test for Executive, Administrative, and Professional Employees, November 1955.

51. Handling and Processing of Agricultural Products, Data Pertinent to an Evaluation of Exemptions Available under the Fair Labor Standards Act, February 1962.

52. Salary. Test for Executive, Administrative, and Professional Employees, March 1962.

53. Salary Test for Executive, Administrative, and Professional Employees, Puerto Rico and the Virgin Islands, April 1962.

54. A Special Compilation of Materials Relating to the Appropriateness of the Maximum Hours Standard, June 1963.

55. State Minimum Wage Laws and Orders Applicable to Employees in Hotels and Motels, Restaurants, and Laundries; Summary of Provisions Relating to the Level of the Minimum Wage, Standards for Overtime Compensation, Extent of Employees Coverage, and Methods of Crediting Gratuities and Other Fringe Benefits, January 1964.

56. Small Logging Operations, Data Pertinent to Evaluation of the 13(a)(15) Exemption of the Fair Labor Standards Act, January 1964.

57. Sheltered Workshop Report of the Secretary of Labor, September 1967.

58. Premium Payments for Overtime under the Fair Labor Standards Act. November 1967.

59. Sheltered Workshops, A study of Wage Payments to Handicapped Clients in Sheltered Workshops Certified under the Fair Labor Standards Act, January 1969.

60. Earnings Data Pertinent to a Review of the Salary Tests for Executive, Administrative, and Professional Employees, as Defined in Regulations, Part 541, June 1969.

61. Agricultural Handling and Processing Industries. Data pertinent to an evaluation of overtime exemptions available under the Fair Labor Standards Act, January 1970.

62. Cash Wages and Value of Tips of Tipped Employees in Eating and Drinking Places and Hotels and Motels, Data pertinent to an evaluation of the tip allowance available under the Fair Labor Standards Act, January 1971.

V. FOREIGN TRADE STUDY

63. Foreign Competition in the Jewelry and Silverware Industry in the United States, February 1965.

VI. COMPLIANCE STUDIES

64. Extent and Incidence of Noncompliance with the Fair Labor Standards Act, September 1957.

65. Extent of Compliance and the Characteristics of Noncompliance with the Fair Labor Standards Act, May 1966.

VII. STUDIES OF MINIMUM WAGE COVERAGE

66. Development of Coverage Estimates of Federal and State Minimum Wage Legislation, Selected Years.

VIII. AGE DISCRIMINATION IN EMPLOYMENT STUDIES

67. Age Discrimination in Employment Act of 1967, A Report Covering Activities in Connection with the Statute During 1968, January 1969.

68. Age Discrimination in Employment Act of 1967, A Report Covering Activities in Connection with the Act During 1969, January 1970.

69. Age Discrimination in Employment Act of 1967, A Report Covering Activities in Connection with the Act During 1970, January 1971.

70. Age Discrimination in Employment Act of 1967, A Report Covering Activities in Connection with the Act During 1971, January 1972.

71. Age Discrimination in Employment Act of 1967, A Report Covering Activities Under the Act During 1972, January 1973.

Mr. WILLIAMS. Mr. President, does the Senator from Ohio want to ask for the yeas and nays?

Mr. TAFT. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. WILLIAMS. Mr. President, I yield back the remainder of my time.

Mr. TAFT. Mr. President, I yield back the remainder of my time.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

The question is on agreeing to the amendment of the Senator from Ohio. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Delaware (Mr. BIDEN), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Minnesota (Mr. HUMPHREY), and the Senator from Louisiana (Mr. LONG) are necessarily absent.

I further announce that if present and voting, the Senator from Minnesota (Mr. HUMPHREY) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from New York (Mr. BUCKLEY) is necessarily absent.

I further announce that the Senator from Connecticut (Mr. WEICKER) is absent due to death in the family.

The result was announced—yeas 29, nays 64, as follows:

[No. 59 Leg.]

YEAS—29

Baker	Eastland	McClure
Bartlett	Fannin	Percy
Beall	Goldwater	Roth
Bennett	Griffin	Scott, William L.
Brock	Gurney	Stennis
Byrd, Harry F., Jr.	Hansen	Taft
Chiles	Hatfield	Thurmond
Cotton	Helms	Tower
Curtis	Hruska	
Dominick	Mathias	
	McClellan	

NAYS—64

Abourezk	Hartke	Nelson
Aiken	Haskell	Nunn
Allen	Hathaway	Packwood
Bayh	Hollings	Pastore
Bellmon	Huddleston	Pearson
Bible	Hughes	Pell
Brooke	Inouye	Proxmire
Burdick	Jackson	Randolph
Byrd, Robert C.	Javits	Ribicoff
Cannon	Johnston	Schweiker
Case	Kennedy	Scott, Hugh
Church	Magnuson	Sparkman
Clark	Mansfield	Stafford
Cook	McGee	Stevens
Cranston	McGovern	Stevenson
Dole	McIntyre	Symington
Domenici	Metcalf	Talmadge
Eagleton	Metzenbaum	Tunney
Ervin	Mondale	Williams
Fong	Montoya	Young
Gravel	Moss	
Hart	Muskie	

NOT VOTING—7

Bentsen	Fulbright	Weicker
Biden	Humphrey	
Buckley	Long	

So Mr. TAFT's amendment (No. 982) was rejected.

Mr. JAVITS. Mr. President, I move that the vote by which the amendment was rejected be reconsidered.

Mr. WILLIAMS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Marks, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDING OFFICER (Mr. ABOUREZK) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of Senate proceedings.)

FAIR LABOR STANDARDS AMENDMENTS OF 1974

The Senate continued with the consideration of the bill (S. 2747) to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rate under that act, to expand the coverage of the act, and for other purposes.

AMENDMENT NO. 986

Mr. TAFT. Mr. President, I call up my amendment No. 986 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk proceeded to read the amendment.

Mr. TAFT. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD, and the amendments will be considered en bloc.

The text of the amendment is as follows:

On page 1, between lines 2 and 3, insert the following:

"TITLE I—FAIR LABOR STANDARDS AMENDMENTS".

On page 1, line 4, strike out the word "Act" and insert in lieu thereof the word "title".

On page 1, line 7, strike out the word "Act" and insert in lieu thereof the word "title".

On page 51, line 14, strike out the word "Act" and insert in lieu thereof the word "title".

On page 51, line 20, strike out the word "Act" and insert in lieu thereof the word "title".

On page 51, after line 20, add the following new title:

"TITLE II—AMENDMENTS TO THE EMERGENCY DAYLIGHT SAVING TIME ENERGY CONSERVATION ACT OF 1973

"EXEMPTION FROM EMERGENCY DAYLIGHT SAVING TIME

"SEC. 201. Section 3(b) of the Emergency Daylight Saving Time Energy Conservation Act of 1973 is amended to read as follows:

"'(b) Notwithstanding any other provision of law, if a State, by proclamation of its Governor or in the absence thereof by Act of its State Legislature, makes a finding that an exemption from the operation of subsection (a) or a realinement of time zone limits is necessary to avoid undue hardship or to conserve fuel in such State or part thereof, the President or his designee may grant an exemption or realinement to such State.'."

Mr. TAFT. Mr. President, I am today offering an amendment to the Fair Labor Standards Act of 1938 which is before us now to repeal winter daylight saving time.

I might explain that when the time is yielded back, it is expected that the distinguished Senator from Oklahoma (Mr. BARTLETT) will offer an amendment in the nature of a substitute which has been printed as amendment No. 993 to amendment No. 986 which I am offering. My remarks will be directed and I think most of the remarks in support of the proposal on repeal will be directed toward that substitute.

The nature of the change made by the substitute is that the effective date of repeal of daylight saving time under the substitute, if adopted, would be in October rather than within a very short period from the passage of this act, which would be true if the substitute were not to be agreed to and my amendment would be agreed to.

Mr. ROBERT C. BYRD. Mr. President, is the Senator from Ohio accepting cosponsors of his amendment?

Mr. TAFT. I would be delighted to do so.

Mr. ROBERT C. BYRD. Mr. President, would the Senator kindly add my name as a cosponsor?

Mr. TAFT. Mr. President, I ask unanimous consent that the name of the Senator from West Virginia (Mr. ROBERT C. BYRD) be added as a cosponsor of my amendment; as well as the distinguished majority leader, the Senator from Montana (Mr. MANSFIELD), and the distinguished Senator from Kansas (Mr. DOLE).

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

Mr. TAFT. Mr. President, I have previously introduced legislation to allow any State to be exempt from daylight saving time if the Governor of the State proclaims it is causing hardship or is not saving energy, or in the absence of a proclamation by the State Governor is acted on by the State legislature to proclaim a hardship and to petition the President for exemption.

I have also cosponsored legislation to repeal winter daylight saving time completely, as this amendment would.

I voted against the daylight saving time bill in the Senate on December 4, 1973. At that time, in my remarks on the Senate floor, I said that because I lived on the western edge of the time zone, many schoolchildren in my area of Ohio would have to get up earlier in the morning and would have to go to school in the dark or take buses in the dark.

In addition, I stated my doubts insofar as the economy of the State of Ohio is concerned as to whether there would be any material savings in the actual energy used, because of the change to daylight saving time since the changeover on January 6, 1974.

Stories of horror and the loss of work hours due to less daylight have come in from all over the Nation. In my home town of Cincinnati, construction workers cannot do their work or must work inefficiently, because of the dark during the early hours. Many housewives also would prefer not having meter readers and servicemen coming into their homes before daylight. The DST has forced predawn calls by these employees. Highway maintenance crews are seriously affected by the DST. They must wait for daylight before starting their jobs, so they will be more visible to passing motorists.

The most obvious problems, of course, have been the worry of mothers whose children must go to school before daylight. Pictures of children waiting on corners, crossing streets, and vacant lots in the darkness have appeared in major newspapers and magazines. Children who would not be roaming the streets after dark in the evening, are now doing the same thing during darkness, sometimes as late as 9 a.m., on their way to school.

My office has received over 4,000 individual letters and 15,000 signatures asking the Congress to repeal winter daylight saving time. The Ohio Poll, Inc., has released figures stating that respondents in a statewide survey turned "thumbs down" almost 2 to 1 on so-called "fast time." Sixty-four percent of a statewide sample of adults said they would like to see daylight saving time ended for the winter months.

Residents of Ohio's predominately agricultural northwest and southwest areas indicated the strongest disenchantment with DST. Problems have been caused for farmers with school children who are used to doing farm chores before going to school, and no longer do them, because of the darkness. I ask unanimous consent to have printed in the RECORD the results of the Ohio poll, for the information of my colleagues and constituents.

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

THE OHIO POLL

Ohioans want daylight savings time to end because they think it is dangerous for school children and is not saving energy.

By almost two to one, respondents in a statewide survey of voter-age opinion, conducted by the Ohio Poll, turned thumbs down on so-called "fast time" which President Nixon invoked to save fuel.

Sixty-four percent of a statewide sample of adults said they would like to see daylight savings time ended for the winter months, while 29 percent said they like the change. Seven percent said they had no preference.

Main reasons given for wanting to see DST come to an end were that it causes children to have to go to school in darkness, which many consider to be unsafe, and because it does not result in an energy savings, which it was intended to do. A number of respondents said they oppose it simply because they find it inconvenient.

A substantial number of respondents, in criticizing the reduced safety to school children associated with DST, referred to the deaths of eight children who were killed on their way to school in Florida the first week DST was in effect. (The state energy committee in Florida reported to a special session of the legislature that the death rate of school age children that week was no different than a year earlier, when there was no DST.)

Residents in Ohio's predominately agricultural northwest and southeast areas indicated the strongest disenchantment with DST, but in the more industrialized southwest and northeast areas, feelings were less severe.

A correlation could be drawn between income and educational levels and dislike for DST The less education respondents claimed to have received, or the lower their annual income, the more inclined they were to oppose daylight savings time. This doubtless results from the need for the less-educated and poor to report to work early *in the day*.

As fiscal affluency and educational level rose among respondents, so did the appeal of DST. At income levels of under $5,000 annually, 79 percent said they hoped DST would end, while at levels of $25,000 or more annually, DST was favored by 59 percent and opposed by only 27 percent.

Respondents with eighth grade education or less were most decidedly against DST, with 74 percent opposed to it.

Women were substantially more disposed against DST than men—71 to 56 percent—but the differences were less pronounced between labor and non-labor households, which opposed DST by 69 and 61 percent respectively.

Here are responses to the question: "Daylight savings time was recently put into effect because of the energy crisis. Do you favor or oppose continuation of daylight savings time during the winter months?"

	Percentages (to nearest ½ percent)		
	Favor	Oppose	No opinion
Total State	29	64	7
Northeast	35	60	5
Northwest	20	72	8
West and southwest	32	62	6
Central and southeast	22	69	9
Men	36	56	8
Women	23	71	6
Labor	24	69	7
Non-labor	32	62	6
Black	8	81	11
White	31	63	6
Age:			
18 to 30	34	59	7
31 to 45	36	59	5
46 to 64	20	73	7
65 and over	25	68	7
Income:			
Below $5,000	14	79	7
$5,000 to $10,000	28	62	10
$10,000 to $15,000	36	58	6
$15,000 to $20,000	25	71	4
$20,000 to $25,000	50	50	0
Above $25,000	59	27	14

Mr. TAFT. In addition, the Old Farmer's Almanac, long the reference for many Americans in determining planting times, weather, and the course of their daily lives, has come out opposed to winter daylight saving time. Judson Hale, editor of the Farmer's Almanac, believes that daylight saving time should run from mid-February to the end of October. It makes astronomical sense, because the Sun is in the same position on February 15 as it is on October 31,

and DST in November, December, and January makes it darker on both ends.

In Ohio, the Columbus Board of Education has noted fears of parents whose children must go to school or wait for buses in the dark. It has sent questionnaires to parents asking if a later school opening would be beneficial and helpful. The superintendent of schools, Dr. John Ellis, has stated that the problem of going to school in the dark has been a severe one. He says:

> We have a lot of working parents, a lot of parents who still drop their students off at school earlier than we would like.

Parents were asked to indicate their choice of five starting times, every 15 minutes from 8:45, the present starting time, to 9:45; 66.4 percent of the schools picked a 15-minute delay in the starting time. Parents would have picked a later time, I am told, but for the additional inconvenience that could occur to family schedules, after school schedules, and transportation schedules involving double session secondary schools and overcrowded elementary schools. Other cities in Ohio have changed their starting times. When school children leave school at 3 or 4 p.m., it is ridiculous to make them begin in the dark. In the Ohio House of Representatives, legislation has been introduced to require all Ohio's school districts to start classes an hour later, because of daylight saving time.

Some of my letters have come from the children themselves, such as the following letter from the 4th grade class of Little Flower School in Cincinnati:

> DEAR SIR: Our class does not like the new time. Someone was hit by a car and next time it might be me. There have been many accidents with buses, cars and many people involved. People don't like walking in the dark to school and work. They are sure that sometime they will be the person who gets hit. We think that Daylight Savings time should be changed, and we hope you do something about it.

The National Highway Traffic Safety Administration stated in a February 19 news release that preliminary figures from 35 States and the District of Columbia show a substantial reduction in the number of pedestrian and pedalcycle fatalities for the month of January 1974, as compared to January of 1973. There are some people who claim that this saving of lives is due solely to daylight saving time in the winter. However, the New York Times on March 4, said Federal officials have attributed lower fatality statistics to the slower speed limits recently implemented. In addition, we know there are fewer motorists on the highways now that gas is more expensive and harder to obtain. Everyone wants to save lives, but to give credit to one energy conservation measure is not realistic. The National Safety Council has said the change in lighting has had little or no effect on the number of early-morning fatalities among school-age children. I think we must all recognize by simple observation, that there is an increased danger factor in children going to school in the dark, as compared with going to school in daylight.

The amount of energy saved by daylight saving time is also debatable. The Federal Energy Office estimates that the savings in electricity that could be achieved by DST is about 100,000 barrels of oil equivalent per day. This amount, however, is only 0.6 percent of our daily consumption of 17 million barrels of oil per day. This figure of 100,000 barrels is an equivalent figure. The actual oil savings is only 14,500 barrels per day, a mere drop in the bucket of oil savings, compared to our shortfall. That is 0.09 percent of our daily oil consumption. Of course, we also save 9,650 tons of coal, but we are not short of coal. The actual savings of oil, the commodity in shortest supply, is miniscule.

The Federal Energy Office has also presented figures that indicate DST has saved Consolidated Edison up to 8 percent in electricity over a selected week in the previous year. These factors do not indicate the weather of the week in the last winter—but everyone has said we have experienced an unusually mild winter this year. The figures also concentrated on energy used between peak hours—10 and 12 in the morning. Daylight saving time is effective between 7 and 9 a.m. in my State. While the Consolidated Edison and Edison Electric Institute figures are concerned with electricity consumption, we have no figures to tell how much gasoline is used by parents who now drive their children to school, rather than allow them to walk. We have numerous reports of this occurring.

In checking with the Cincinnati Gas & Electric Co., I have learned they can attribute no energy savings to winter daylight saving time. In fact, there may be more electricity used. There is no appreciable change in figures from January 1973 to January 1974. The company believes that if any energy is saved it is more likely caused by other conservation measures. Even now, in March, on the western edge of the eastern standard time zone, motorists must drive with their lights on at 8:15 in the morning.

In Ohio, we are already on double daylight saving time. The State used to be in the central time zone, and many folks would like to return to that. My mail gives a clear mandate on this issue. Parent teacher associations, farmers, the elderly, highway maintenance crews, construction workers, and utility companies want to return to the old time in the winter. It is time for the Congress to recognize that it acted too quickly and undo this mistake. I hope the Senate will act favorably on my amendment.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. MAGNUSON. Mr. President, as I understand it, the Senator from Ohio has two amendments. Is that corect?

Mr. TAFT. The Senator is correct.

Mr. MAGNUSON. One would repeal the present law, and the other would allow a Governor or a State legislature, or both, to exempt themselves from the law.

Mr. TAFT. Yes.

Mr. MAGNUSON. Also, it is my understanding that the Senator from Oklahoma is going to offer a substitute to the amendment of the Senator from Ohio.

Mr. TAFT. To the first amendment.

Mr. MAGNUSON. The one the Senator is now discussing?

Mr. TAFT. Yes.

Mr. MAGNUSON. Not the one that allows Governors or State legislatures to act.

Mr. TAFT. The Senator is correct.

Mr. MAGNUSON. Mr. President what is the situation with respect to time?

The PRESIDING OFFICER. There is a total of 2 hours.

Mr. MAGNUSON. Obviously, this amendment is not germane to this bill. How does the Senator justify the germaneness of this amendment?

Mr. TAFT. The amendment is germane because it was made so by a unanimous-consent agreement.

Mr. MAGNUSON. I know that is was made so by a unanimous-consent agreement; but if any of us had been here when that was going on, they would have objected to it. The Senator made it germane by a unanimous-consent agreement, I suppose, to get the time on the minimum wage bill. But surely it has no germaneness to the Wage and Hour Act except by unanimous consent.

Mr. TAFT. It does relate to the whole question of employment, as I pointed out, with respect to our effectiveness to deal with the problem.

Mr. MAGNUSON. If it had not been part of that unanimous-consent agreement a point of order would lie against it.

Mr. TAFT. Only if we were under a unanimious-consent agreement. We are operating under the rules of the Senate. I would not have consented to a unanimous-consent agreement that prevented it from being in order.

Mr. MAGNUSON. The point is that this is not germane to the bill except by that unanimous-consent agreement.

Mr. TAFT. It is not germane to this bill—period.

Mr. MAGNUSON. Period, yes.

Mr. President, I yield myself just a little time.

There has been a lot of misinformation about this matter and I surely want to do what I can to clear it up. The Senator from Illinois will verify this, but I think the record should show that 8 weeks ago we shifted to daylight saving time at the call of the President. That change stirred up some great emotion across the Nation. I understand that. I am happy to see the Senate is debating the matter here today so we can clear up the facts.

There have been some misconceptions about it and we took the action at the call of the President because many witnesses—many witnesses, and they were all unanimous—testified that advancing the time during the winter months could make a significant contribution toward relieving part of the Nations' energy crisis. In addition, the experts predicted there would be traffic safety, crime prevention, and some commercial benefits from the shift. We were very careful in the Committee on Commerce and they were also very careful in the House to hear all the witnesses and there was no objection to these presumptions.

The evidence to date—indicates that the electrical utilities and the Office of

Energy Conservation in the Department of the Interior were eminently correct. The most recent data released by the Edison Electric Institute which represents all electric generating and electric producing companies indicates an actual decrease of close to 2.2 percent in daily electric consumption, or the equivalent of 200,000 barrels of crude oil per day. This is two or three times greater than the predictions which led to the Senate's original action.

Secretary of Transportation Claude Brinegar, speaking for the executive branch, said yesterday that the concern that daylight saving time is resulting in increased fatalities among schoolchildren is completely unfounded. The Department of Transportation has data which shows a marked reduction in fatalities compared to the previous year for school age children. This conclusion was verified last week by the National Safety Council. They collected all the figures monthly and weekly. The council releases statistics which show no change in school age fatalities in the morning hours. There has also been a significant lessening in traffic hazards over all, particularly in the evening play hours. This early data verifies the underlying theory about year-round daylight time.

This is just what the testimony before the Commerce Committee indicated. By shifting a clock 1 hour of daylight from early morning to early evening, when activities are more concentrated, the total dependence on electric power is lessened. There is a decline in lighting utilities' peak loads, according to the latest figures. There is a reduction in space heating requirements because of the higher ambient temperatures in the early evening, when more people are up and moving around than in the early morning.

Similarly, putting the evening rush hour in daylight reduces significantly the hazards of alcohol and fatigue, which make it twice as deadly as the morning rush hour. All the figures show that. Those are the reasons why the Senate acted in November.

I am pleased to report that all those predictions are apparently borne out by the partial information that can be accumulated on 2 months of experience. But we would all benefit by waiting for the completion of the next Department of Transportation study. Congress mandated a thorough study by June 31, 1974. That study will provide us with 6 months data instead of 2. The study will be available in plenty of time to take action before October. The Senate Commerce Committee will hold hearings on that report just as soon as it is available. It must be in by the end of July.

I can think of nothing which we can gain by acting today, when our action will not take effect before next October. The evidence to date looks good. But I am willing to reserve final judgment until this summer. I believe that is the wisest course of action. We should not close our ears to the facts, nor should we repeal a law which seems to be doing everything and more than we ever expected of it.

I have said many times in the hearings—and I emphasize this for the consideration of the Senator from Ohio—that we fully expected, and said so publicly all during the hearings, that we would have hearings on this matter in September, after the report has been filed with the committee and the facts have been reviewed.

The House wanted the bill for 2 years. There was some sentiment for 1 year in our committee. There is no intention of the Commerce Committee not to look at this matter in the fall. It is too late now to do much about repeal, because we would not accomplish much, since the regular process of daylight saving comes into effect on, I believe, some date in April. We are a little more than a month away from that.

So the Commerce Committee will work on the proposition at that time and see how it has developed. We are going into the regular daylight saving time period anyway, and in September we will have oversight hearings on the whole subject. We intend to do that. To do something about the law before that time may, I think, be unwise, because we would be accomplishing nothing.

I hope that the Senator's amendment will not carry. First of all, it should not be on this bill. Second, its effect would be small, particularly with the assurance of every member of the Senate Commerce Committee and the House Committee on Interstate and Foreign Commerce that we will have legislative oversight of this matter, after getting a report.

I have no particularly fixed views on the matter. I think probably when we get all the facts and figures, Congress will probably want to look at them, and consider a 9 months time for daylight saving. Perhaps 3 months of student time would be suitable, because the period of December, January, and February are the months with the shortest days; or even a proposal of, say, 8 months and 4 months. But everybody in this country wants daylight saving. They are saying we ought to act on the problem when we have the information. And the Commerce Committee will act, I assure you, very promptly on the matter. I would like to see the June report. So far, it would appear Daylight Saving has given us some savings. I realize that different parts of the country have different problems. We have the time zone matter. We took care of that in World War II, and that can be taken care of again.

Prior to the enactment of this act, any governor had a right to get out if he wanted to. Each Governor had 3 weeks, or 2½ weeks, to do so. We accepted the views of these Governors. So I do not know what we are accomplishing here today by this precipitate action.

As I say, I have no deep feelings one way or another, but I do think we have benefited by it, and it may be we will want to do something about it. I am thinking out loud now—perhaps 9 months of daylight saving and then 3 or 4 months without, or maybe 8 and 4. I do not know.

It has worked fine in my State. We are in the northern areas. We are very fond of daylight saving all the time because of the recreation opportunities involved. In December, January, and February, people are able to be out later at night. They take advantage of the extra hour for recreation, whether it be fishing, tennis, or whatever, or even to come home and work in their gardens if they have a chance.

Some of the other States have a little different problem, but we are also working on the fact that we are going to try to do something about time zones, to try to make them more practical, rather than run them through the States as they are now. The Department of Transportation has the authority to do that. It is working on it. That will be part of the study that comes here in July.

Mr. STEVENSON. Mr. President, the Senator from Washington has made the essential point that this amendment, if it were adopted, would put the Senate in the incredible position of repealing daylight saving time because it is working far beyond the expectations or claims made by the proponents only about 12 weeks ago.

When the Senate approved daylight saving time, it was predicted that winter daylight saving time would reduce electrical consumption by about 1 percent, which would mean about 100,000 barrels of oil a day, and also reduce traffic accidents and crime. That is all that was claimed for daylight saving time at that time, and those claims have been far exceeded by the results of daylight saving time.

After only 12 weeks, we are being asked to repeal or modify winter daylight saving time on the ground that it has failed. It has not failed. The record, while it is incomplete at this point, strongly suggests that the Senate was right when it approved year-round daylight saving time, and, far from changing that earlier judgment, we ought to reaffirm it.

According to the Edison Electric Institute, during the first 7 weeks of winter daylight saving time, electrical consumption across the Nation dropped 2.2 percent, as compared with consumption during the 4-week period immediately preceding winter daylight saving time. That figure corresponds with a 2.2 percent increase in electrical generation last fall when the Nation returned to standard time. A 2.2 percent decrease in electrical consumption is twice the energy saving predicted when the Senate approved year-round daylight saving time, which is equivalent to a saving of 200,000 barrels of oil a day, and in fact far in excess of the energy savings realized from the national 55-mile-per-hour speed limit.

Consolidated Edison Co. of New York reports that daylight saving time has reduced the New York peak load by 500 megawatts out of 5,600. That is a 9-percent reduction.

All of these figures are subject to adjustment for differences in the weather and for other factors, but the first returns, the returns for the first 7 weeks, indeed all of the early indicators, suggest that daylight saving time has produced significant energy savings.

Now we are out of the woods. The long days are here again. We will, in June, presumably, have an interim report from the Department of Transportation which will give us a far better basis than

we have now for judging the energy savings from daylight saving time. There is no need to take this action now. We will have an opportunity later, and, as the chairman of the Committee on Commerce indicated, when the figures are available, or more figures are available, including an interim report, the Commerce Committee will conduct hearings and give the matter a thorough review.

At this point it would be a great mistake to repeal legislation simply because it is working, and working well.

I understand the reasons for the anxiety about daylight saving time. Those reasons have to do with traffic accidents, particularly accidents involving schoolchildren. At the time the daylight saving bill was passed, it was hoped that schools and businesses throughout the country would adjust their hours to winter daylight saving time, and I regret that more of them did not do so; but notwithstanding the failure of some schools and some businesses to start their hours a little later in the morning, the results in the case of traffic accidents has been encouraging.

A recent report from the National Highway Traffic Safety Administration reports that 35 States and the District of Columbia experienced a 32-percent reduction in the number of pedestrian and bicycle fatalities for the month of January 1974 as compared with January 1973. Of the 396 fatalities reported for the month of January 1973, 98 were schoolchildren between the ages of 5 and 19. In January 1974 the number of fatalities among school-age children dropped to 57, a 42-percent reduction.

The National Safety Council reports no perceptible increase in the number of child fatalities between the critical hours of 6 a.m. and 9 a.m.

A special survey of the National Highway Safety and Transportation Administration in 15 States for the month of January found a 33-percent reduction between 1973 and 1974 in the number of afternoon accidents resulting in child fatalities.

So the evidence strongly indicates that daylight saving time does not increase morning fatalities and decreases afternoon fatalities, for a very substantial net decrease in adult and child pedestrian fatalities.

It is argued that one of the causes for the reduction in pedestrian fatalities may be energy conservation, decreased driving, and lower speed limits.

That cannot be the case because the major impact of energy conservation, including the lower speed limits, was not felt until after January. The figures I have used compare accidents in January 1974, with accidents in January 1973, before the full impact of the gasoline shortages was felt. That impact began to be felt in February. The deadline for the enactment of the 55-miles-an-hour speed limit did not become effective until early March.

Attention has been paid to the increase in early morning accidents resulting in child fatalities in Florida. Little attention has been paid to the decrease in accidents at other times of the day.

Daylight savings time reduced the accident rates in the late afternoon hours. Statistics on the total child fatalities in Florida during daylight savings time shows that there were no more than there were last year.

Montana, Arkansas, North Dakota, and Minnesota are among the States which experienced child fatalities in 1973, but experienced none in January 1974. In Massachusetts the number of fatalities in January 1973, compared to January 1974, dropped from five to two.

In Ohio, the child fatalities resulting from traffic accidents did not increase from January 1973 to January 1974. As a matter of fact, the figures for those two periods are identical—13 child fatalities in January 1973 and 13 in January 1974.

More significantly, Mr. President, overall traffic fatalities in that State—and this is not unusual—decreased very substantially. In January 1973, there were 158 traffic fatalities in Ohio. For the same period in 1974 the figure was 116. In other words, there was a 27-percent decrease in traffic fatalities after daylight saving time became effective, before serious gasoline shortages had begun with a consequent reduction in the amount of travel and the speed at which motorists could travel.

We have no way of quantifying the reduction in crime due to increased daylight during the peak crime hours—and the peak crime hours are also, as in the case of traffic accidents—in the early hours. There is absolutely no way to do it. But there can be absolutely no doubt that the crime rates have also been reduced by daylight saving time.

At the end of 2 years, and certainly later than now—this summer at the earliest—Congress will be in a position to make a sensible determination about the energy savings, the life savings, and the crime savings resulting from daylight saving time.

It appears now that daylight saving time is saving lives. It appears on the basis of preliminary evidence that it is also saving some 200,000 barrels of oil a day and reducing the crime rates. It would be a disservice to worried parents and to all people who have made sacrifices in the face of doubts and confusion over the severity and causes of the energy crisis, to declare at the end of 12 weeks that daylight saving time is a failure. To change back before all the data is collected would simply cause longer lines at gasoline stations, higher fatality rates on our Nation's highways, and more crime.

At the very least, we ought to give daylight saving time a more adequate trial. We ought to give ourselves more time in which to judge the value of daylight saving time before abandoning it, as proposed by the Senator from Ohio.

The PRESIDING OFFICER. Who yields time?

Mr. TAFT. Mr. President, I yield myself 3 minutes.

Mr. President, there should be further clarification of several things that have been stated. First of all, I do not deny the proposal was made by the administration. I thought the administration was wrong in making the proposal originally, and I still think so.

We had a prediction at that time, and certainly the House committee had a prediction, that the maximum savings in fuel would be 30,000 barrels a day of petroleum, which is an insignificant amount. The figures I received on the savings, made available by the Federal Energy Office, indicate that that is a very close estimate. It is actually less than that. The estimate from the Office of Energy Conservation in the March 4 bulletin which they put out indicates an actual savings of only 14,500 barrels a day.

The Senator from Illinois used the figure of 200,000 barrels. However, it should be clear that the energy equivalent figures, which refer to the alleged savings in gas, using gas use and coal use and nuclear and hydropower use are matched up against what the expenditures in oil would be if they were used rather than those figures. Those figures, I might point out, are at odds by 100 percent difference with the Federal Energy Office figures which total up about 100,000 barrels a day, rather than 200,000, as stated by the Senator from Illinois.

There is some difference even on the equivalent figure. However, the equivalent approach in my estimation out of the Federal Energy Office seems to be specious. To transfer other forms of energy or substitutes for petroleum use, that does not appear to have a loss. We have certain factors not computed into this figure at all. There is an increased consumption of gasoline by parents driving their children to school rather than sending them to school in the dark on a bus and that has not been figured into this.

I was also somewhat mystified by the approach taken by the distinguished Senator from Washington, the chairman of the committee, as to whether or not he intends this to be a permanent piece of legislation, which the law on the book is at the present time. He is apparently doing this on a permanent basis. This proposal was presented as an emergency energy matter when the Senate voted on this earlier this year. And I got somewhat alarmed, and I am sure that my constitutents would be very alarmed that there seem to be indications that we intend it to be permanent.

The distinguished chairman said that the Commerce Committee will have studies on this and will make a permanent and comprehensive judgment on this.

I take his word in that regard. I am sure that there will be hearings. However, in legislating on this subject of dealing with the people getting up in the dark and their children getting up in the dark, we are not dealing with it realistically. We are putting it back into a time frame of the other side of September or October.

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

Mr. TAFT. Mr. President, I will yield myself an additional 3 minutes.

The PRESIDING OFFICER. The Senator from Ohio is recognized for an additional 3 minutes.

Mr. TAFT. Mr. President, when the time for action on this legislation comes, when the matter comes to Congress, we will be right up against a deadline of the legislation being put into effect, perhaps, at the same time or just shortly before the time change would occur un-

der the bill as it was passed by the Senate last year.

So I think we ought to act on it now and have an open vote. The Commerce Committee can come in with anything it wants, but why not make this change now, and not be legislating up against a deadline to change what I think was a mistake when the change was made, and what I think most people consider to have been a mistake?

The Senator from Washington has indicated that there was a Governor's option. Well, there was a Governor's option to request a change of time zone for, I think, just 30 days after it went into effect. The Governor of my State decided not to make the request; however, he has now indicated to me he wishes he had, that it is a major hardship on people in our State, and that we ought to make the change.

Perhaps we could include some option on that in any future legislation also. I would like to bring that into focus for the committee.

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

Mr. TAFT. I yield.

Mr. CHURCH. Mr. President, it is my understanding that the distinguished Senator from Oklahoma is going to offer an amendment to this amendment.

The PRESIDING OFFICER. The Senator's additional 2 minutes have expired.

Mr. TAFT. I yield myself an additional 2 minutes, and yield to the Senator from Idaho.

Mr. CHURCH. The effect would be to postpone until the fourth week in October a resumption of the old system. I must say that this appeals very much to me.

In my own State, people simply cannot comprehend how substantial energy savings can be realized by burning the candle on one end instead of the other; they keep asking me how energy is saved by an extra hour of light in the evening, when they have to get up to an extra hour of darkness in the morning.

I have not been able to find a convincing answer to this question. Furthermore, I have not seen persuasive evidence that really meaningful savings have been made in our fuel supply.

So, for that reason, I commend the Senator from Ohio for the action that he has taken, and the Senator from Oklahoma (Mr. BARTLETT) as well, and tell them that I am inclined to think that, by the last week in October, it will be time to go back to the old system. Very likely, by then, the Arab oil embargo will have been lifted anyway, so there is good commonsense, is seems to me, in the position the Senator takes.

Mr. TAFT. I thank the Senator from Idaho. I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. STEVENSON. Mr. President, I yield myself 5 minutes.

Mr. COTTON. Mr. President, who has the time on the energy bill?

Mr. STEVENSON. The chairman and I were controlling the time. I am glad to yield to the Senator.

Mr. COTTON. When the Senator has finished, I would like some time.

Mr. STEVENSON. Mr. President, first of all I ask unanimous consent to have printed in the RECORD a fact sheet received from the Office of Energy Conservation, which makes some preliminary findings about the energy savings from daylight saving time.

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

FACT SHEET: DAYLIGHT SAVING TIME

BACKGROUND

The Daylight Saving Time Act of 1973 (Public Law 93–182) was passed December 15, 1973, to go into effect January 6, 1974. This law provides for the adoption of year-round Daylight Saving Time (DST) for a period of two years and requires the Department of Transportation to report on its effects not later than June 30, 1974, and each year thereafter. The studies that have been undertaken to date are not definitive on either the energy savings (or losses) that might occur with DST, or the peripheral effects that might be experienced (crime, agricultural impacts, accidents, etc.) which can be causally associated with DST. However, the preliminary information which is available suggests that energy benefits may accrue and the secondary effects should be minimal.

Energy reductions can occur in two ways when DST is implemented during the winter months. Direct savings are associated with absolute reductions in the level of power send-out because, for example, the added lighting requirements in the morning are less than the decreased lighting possible in the evening. Fuel savings arise through shifting power consumption from peak periods in the evening to lower use periods in the morning. Electrical load peaks typically are met with relatively less efficient generating equipment. Thus, shifting use to off peak hours results in less fuel use to produce the same amount of electricity.

ESTIMATED ENERGY SAVINGS

It is estimated that a savings of approximately 1 percent of the nation's electricity could be achieved by DST. This savings amounts to about 100,000 barrels of oil equivalent per day. This figure may be disaggregated by fuel source as follows, using National Petroleum Council fuel source data for national electrical production:

1. approximately 14,500 barrels per day of oil;

2. approximately 106 million cubic feet of gas (equivalent to 19,500 barrels per day);

3. approximately 9,650 tons of coal per day (equivalent to 42,300 barrels per day);

4. approximately 24,000 barrels per day equivalent of nuclear and hydro source power.

Other estimates of combined direct and fuel savings that could derive from DST vary from "Negligible" for some regions surveyed by the Federal Power Commission Regional Reliability Councils (1970) to as high as 4 percent. (Spokesmen from Consolidated Edison estimated that DST could shave their lead peak by between 2.9 and 4.1 percent.)

Southern California Edison estimated that DST could save as much as 1 percent in its electrical load.

William Harris of Rand Corporation testified before the Senate Commerce Committee on November 9, 1973, that DST could save on the order of 1 percent in electrical energy.

Edison Electric Institute estimated that the Nation achieved an 11 percent reduction in electrical energy peaks during World War II when DST and other conservation measures were in effect. By the end of the war, it estimated that about 700,000 tons of coal annually were being saved by DST.

In 1957, the State of Wisconsin adopted DST for a five-month winter season. One electric utility in the state reported a 3 percent reduction in energy usage but the figure was not adjusted for weather or other unrelated effects.

In 1971, four states (Arizona, Hawaii, Indiana, and Michigan) went on continuous standard time. It was found that from April to May there was a 0.28 percent increase of fuel consumption and from October to November there was a 1.58 percent decrease in fuel consumption. In the other states, there was a 0.48 percent decrease in consumption from April to May and a 0.91 percent increase in consumption from October to November. In aggregate, there was a 0.41 percent decrease in fuel consumption from April to May and a 0.71 percent increase from October to November. This 1971 experience suggests that the non-shifting states did better.

Practically, the electrical energy savings that are achieved will be difficult to associate causally and unequivocally to DST because of many other influences tending to reduce electrical demand. Savings will not be uniform for each utility in the country but will vary depending upon the detailed nature of electrical loads. They should be relatively higher on utilities which serve a high residential and lighting component and relatively lower on utilities serving a high industrial component.

SAFETY AND OTHER CONSIDERATIONS

The shift to DST will result in less light early in the morning, but daylight will extend later in the evening. This shift can have several effects.

It is likely that DST will reduce crime in the early evening when many people are still on the streets and increase the efficiency of the police forces. However, crime patterns may be shifted to other times.

It is likely that DST will reduce driver and pedestrian accidents in the heavy commuting hours of the evening because of the ability to return home in more daylight. Although there may be more accidents in the morning commuting hours, drivers are likely to be more alert and the net effect will be a reduction in total accidents.

Accidents and crimes which occur in morning darkness will be widely reported and associated directly or by implication to DST. What will not be known will be:

(a) whether the reported accidents would have occurred anyway;

(b) how many fewer accidents and crimes are occurring in the evening than would otherwise have occurred.

EXPERIENCE TO DATE MARCH 1, 1974

I. Energy indications

Uncorrected Gross Weekly Load Production Figures (EEI):

Week ending	1973–74 kWh (x10⁶)	1972–73 kWh (x10⁶)	Percent change from same week in previous year
Dec. 29, 1973	31, 952	32, 440	−1. 50
Jan. 5, 1974	34, 695	34, 331	+1. 06
Jan. 6, 1974	WDST put into effect		
Jan. 12, 1974	36, 558	38, 111	−4. 07
Jan. 19, 1974	35, 531	35, 368	+. 46
Jan. 26, 1974	34, 602	35, 297	−2. 0
Feb. 2, 1974	34, 363	36, 197	−5. 1
Feb. 9, 1974	36, 343	35, 799	+1. 5
Feb. 16, 1974	35, 673	36, 947	−3. 4
Feb. 23 1974	34, 794	35, 814	−2. 8

Consolidated Edison reports the following electrical data normalized for weather:

Week ending	1973–74 kWh (x10⁶)	1972–73 kWh (x10⁶)	Percent change from same week in previous year
Jan. 6, 1974	621	681	−8. 81
Jan. 13, 1974	665	709	−6. 21
Jan. 20, 1974	662	706	−6. 23
Jan. 27, 1974	657	707	7. 07

Consolidated Edison has been engaged in a vigorous energy conservation effort which has led to significant peak reductions. There used to be a significant peak between 5 and 6 p.m. and now the load is flat. The peak now occurs between 10 and 12 in the morning for the system as a whole.

The National Economic Research Association reports that Pacific Gas and Electric Company shaved its evening peak by approximately 3 percent. NERA also reports that Wisconsin Electric Power Company, New England Power Company, and Virginia Power and Electric Company have found shifts in peak patterns, and that the Long Island Lighting Company has found that its peak load has been slightly flattened.

Alex Radin, General Manager of American Public Power Association, which represents 1400 public utilities and accounts for 13% of total electric sales, testified that DST would produce 1–2% savings in kwh (equivalent to 3.5–7 million barrels of oil per day based on 1971 consumption figures for its utilities). His testimony is supported by a recent American Public Power Survey of several utility companies, which indicated that conservation efforts, including DST, were reducing demand.

The Municipal Power & Light Department of Garland, Texas, reported that its energy conservation efforts reduced demand about 5%, or a total of 3% in the system load. Energy savings were about 7 million kwh.

A spokesman for the Anchorage, Alaska Municipal Light & Power Department estimated that energy conservation measures have resulted in a 5% demand reduction and a kwh reduction of 4.6%.

The Los Angeles, Calif. Department of Water & Power reported a reduction of 224,-052 mwh in consumption for the first 24 days of January, compared to a similar period in 1973, despite milder weather this year.

The Sacramento, Calif. Municipal Utility District reported that power consumption in the District service area was 6% less in January than for the same month in 1973, although weather conditions were similar.

II. Safety indications

The National Safety Council has found that DST has had little or no effect on the number of early morning fatalities among children of school age. The Council's Statistics Department surveyed all 50 states and the District of Columbia, to determine if there was any increase in the number of school children fatalities for January 1974 as compared with January 1973.

The survey respondents, who represented 75 percent of the population in 42 states and the District of Columbia, showed no appreciable difference between the two months in the number of early morning pedestrian and pedacycle fatalities experienced by children 4 through 18 years old.

According to the Council, 20 traffic fatalities were recorded in January 1974 among children 4 to 18 years old walking or pedaling during the going-to-school hours from 6 am to 9 am. By comparison, 19 fatalities were recorded in January 1973.

Thirteen of the 20 youthful traffic fatalities in January 1974 were children under 14 years old.

Of the 43 reporting agencies, 29 states and the District of Columbia showed no change or decreases in the number of school-age fatalities. Three states—Alaska, Arizona, and Idaho—were not included in the survey since they had not shifted over to DST. Ten states—Florida, Nevada, Virginia, Illinois, New Mexico, Wisconsin, Connecticut, Louisiana, North Carolina, and Pennsylvania—had increases in the number of school-age traffic fatalities.

Of the states with increased fatalities, Florida, according to the Council, showed the biggest increase—up five fatalities in January 1974 as compared with January 1973. Illinois showed the second largest increase—up four fatalities. Connecticut and North Carolina both showed increases of three fatalities, while the remaining six states reported increases of one school-age fatality each.

The National Highway Traffic Safety Administration of the Department of Transportation found that out of 35 states and the District of Columbia there were a total of 271 pedestrian and pedacycle deaths compared to 396 such fatalities during 1973. This figure includes all-age fatalities occurring at all hours of the day.

Mr. STEVENSON. Mr. President, this is the statement to which the Senator from Ohio referred. It does say that it is estimated that a saving of approximately 1 percent of the Nation's electricity could be achieved by daylight saving time, and mentions that this amounts to about 100,000 barrels of oil per day. However, that is the earlier estimate that was made by the Office of Energy Conservation, and upon which the Senate approved this bill. It was estimated then that it would reduce electrical generation requirements by about 1 percent.

Other figures which are included in these data indicate that the results of daylight saving time are closer to a 2-percent reduction in electrical generation, and that therefore the equivalent savings of energy are about 200,000 barrels of oil a day.

To answer the question that was raised by the Senator from Idaho, I think I can do so best by reading from a memorandum I received from Commonwealth Edison in Chicago, which explains it very simply and convincingly, as follows:

The present estimate of Statistical Research and Power Supply departments is that extension of daylight saving time through the full year will result in a net output reduction of approximately 45 million kilowatt-hours. This will result in a savings of five million gallons of oil.

It is estimated that the lighter evening hours will reduce electricity consumption by about 75 million kilowatt-hours, but that this will be offset by about 30 million kilowatt-hours of increased use during the darker morning hours.

So what they are saying is that during the lighter evening hours, which are the peak hours, electrical generation is reduced without an offsetting increase in generation during the darker morning hours. In fact, the difference is between 75 million kilowatt-hours in the evening and 30 million in the morning.

That just helps explain the energy savings. The concern in this bill over winter daylight saving time is principally about its effect on traffic fatalities and on the lives of schoolchildren.

As I indicated earlier, the bill is also saving more lives than were anticipated when we adopted this legislation just about 12 weeks ago, for basically the same reason. The peak hours of traffic accidents are in the evening. We provide more daylight during those peak hours, and thereby reduce traffic fatalities. In fact, there has not been an increase in traffic fatalities for children in the morning hours.

The rates of traffic fatalities in the morning hours, for children and others, are about the same as they were a year ago, but they are greatly reduced in the evening hours, and the result is a very substantial net decrease in traffic fatalities, which cannot be attributed to reduced supplies of gasoline and low speed limits, because these figures were based on a comparison between traffic fatalities in January 1974 and January 1973, a time before the impact of the gasoline shortage was felt, and long before the deadline for the enactment of 55-mile-per-hour speed limits. The gasoline shortage, with reduced consumption and lower speeds, came in February.

Mr. TALMADGE. Mr. President, when the year-round daylight saving time bill originally came before the Senate several months ago, I opposed it. It was clear then that the confusion, danger, and ill will brought about by its passage clearly outweighed any mythical energy savings that we could realize.

Today I am pleased to cosponsor amendments to repeal this year-round daylight saving time law or, in the alternative, to extend the time in which the Governor or State legislature may petition for exemption from winter daylight saving time.

The Federal Government has an unfortunate record of rushing pellmell into unwise emergency legislation. Often, it has taken years before the Congress recognized its error and repealed these laws. In the meantime, the damage done cannot be repealed.

Mr. President, in its great rush to approve the administration's year-round daylight saving time proposal last year, the Congress managed to ignore both logic and human nature.

Factories still run two and three shifts and use the same amount of energy as before. People now get up in the cold darkness, and have to turn on their lights and heat to see and move about. The evening rush hour with all its serious accidents has merely been transplanted to the morning. But, most importantly, the safety of our schoolchildren is now needlessly endangered. I have heard from concerned Georgia parents from all walks of life. They fear for the lives of young children walking to school or waiting for the schoolbus in the early morning darkness. They are very much aware that accidents can and in fact do easily occur during these hours.

Mr. President, the people of Georgia have for years been forced to put up with the misguided and foolish practice of busing children to achieve a so-called racial balance in schools. They have been made to stand by as millions of gallons of fuel have been wasted in a social experiment. Are they now going to have to endure yet another experiment during which the safety of little boys and girls will be totally cast aside?

Mr. President, defenders of the new time law are already handing out so-called "studies claiming that year-round daylight saving time has saved energy. But how can they prove this after a grand total of only 12 weeks? They even claimed at first that it might reduce fuel consumption as much as 5 to 7 percent. I was surprised that so many believed that. Now we are told that "studies" indicate that energy demand has dropped 2 percent. Clearly, this is a sham and a deception on the American public, which can only lead to less confidence in Government.

On the other hand, we do know that several tragic accidents have taken the lives of at least 10 schoolchildren in Georgia and Florida alone. For a questionable 2 percent energy saving, some in the Congress and the administration are prepared to offer up our schoolchildren. I will have no part of that.

Mr. President, the first amendment I am cosponsoring will extend the time during which the governor or legislature of a State can petition for exemption. Surely, this is only just and fair to the States, who were given only a brief period to seek an exemption from the new time in December.

Passage of this measure would be helpful. But, more remains to be done. The ultimate decision would still be in the hands of the President, who first thought up this winter daylight saving time scheme. Therefore, I would especially urge my colleagues to also vote for the second amendment, which will put an end for once and for all to the so-called emergency energy daylight saving time.

Mr. President, the people ask only for reason in energy conservation legislation. We cannot reasonably expect that merely switching hours of darkness from the evening to the morning will save energy, let alone lives and property. This has the same result as the old Indian trick of cutting a piece off one end of the blanket and sewing it on to the other end to make the blanket longer. We only fool ourselves when we think we have accomplished anything worthwhile.

Mr. President, these amendments offer the Senate a golden opportunity to redeem itself by repealing or, at the very least, modifying one of the most unreasonable measures ever enacted.

Mr. FULBRIGHT. Mr. President, I have listened with interest to this debate on the winter daylight saving time issue, particularly because of the expressed concern from my constitutents about this law. I intend to be responsive to this concern.

I note that the Senator from Washington (Mr. MAGNUSON), who is chairman of the Commerce Committee which has jurisdiction over daylight saving time legislation, has assured us that the committee will review the law after all of the relevant statistics are available in the early summer, and in any event that his committee will reconsider this law prior to October of this year when winter daylight saving time is scheduled to again go into effect. I believe it to be the wiser and more rational course of action for the Senate to follow the Commerce Committee's advice on this issue, rather than to consider it on the floor of the Senate in connection with an unrelated bill.

While there is some evidence already available that winter daylight saving time has been beneficial both from the standpoint of traffic safety as well as energy savings, I do not pass judgment on these questions at this time, but will look forward to the committee's recommendations this summer. I might add that I intend to make available to the Senator from Washington the views of Arkansans who have contacted me about this law, so that the committee will be well aware of its effect on my State. Inasmuch as we are but a few weeks away from summer daylight saving time, I do not see that any useful purpose will be served by acting on this matter at this time. Accordingly, given the assurances of the chairman of the Commerce Committee, I will support the motion to table this amendment.

The PRESIDING OFFICER. Who yields time?

Mr. STEVENSON. Mr. President, how much time remains to the opponents of this amendment?

The PRESIDING OFFICER. The proponents?

Mr. STEVENSON. Opponents.

The PRESIDING OFFICER. 29 minutes.

Mr. STEVENSON. I yield the Senator from New Hampshire such time as he may require.

Mr. COTTON. I thank the Senator. I shall not use but a very few moments.

Mr. President, it is now my understanding that the real compelling reason for my opposition to the amendment may be removed by its proponent, because it is my understanding that the distinguished Senator from Ohio intends to alter the amendment. Am I correct, or will he leave it as it is?

Mr. TAFT. Mr. President, through an error, the amendment which was called up is apparently No. 986. The intention of the Senator from Ohio was that amendment No. 987 be called up. The debate which we have had has been addressed toward amendment No. 987. That has been the understanding, I think, of other Senators. In view of that, I ask unanimous consent that the amendment to be considered now be amendment No. 987 and that amendment No. 986 be laid aside.

The PRESIDING OFFICER (Mr. ABOUREZK). Without objection, it is so ordered, and amendment No. 986 will be laid aside.

The clerk will state amendment No. 987.

The legislative clerk read as follows:

On page 1, between lines 2 and 3, insert the following:

"TITLE I—FAIR LABOR STANDARDS AMENDMENT".

On page 1, line 4, strike out the word "Act" and insert in lieu thereof the word "title".

On page 1, line 7, strike out the word "Act" and insert in lieu thereof the word "title".

On page 51, line 14, strike out the word "Act" and insert in lieu thereof the word "title".

On page 51, line 20, strike out the word "Act" and insert in lieu thereof the word "title".

On page 51, after line 20, add the following new title:

"TITLE II—AMENDMENTS TO THE EMERGENCY DAYLIGHT SAVING TIME ENERGY CONSERVATION ACT OF 1973

"TERMINATION OF EMERGENCY DAYLIGHT SAVING TIME

"SEC. 201. Notwithstanding the provisions of section 7 of the Emergency Daylight Saving Time Energy Conservation Act of 1973 such Act shall terminate at 2 o'clock antemeridian on the first Sunday which occurs after the date of enactment of this Act."

Mr. TAFT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Ohio will state it, but first the Chair would inquire of the Senator from Ohio whether he wants these amendments considered en bloc?

Mr. TAFT. Yes, I ask unanimous consent that the amendments be considered en bloc.

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

Mr. TAFT. Mr. President, in order to straighten out the time situation under the unanimous-consent agreement, I would ask unanimous consent that the time expended on amendment No. 986 to date be considered as time expended on amendment No. 987.

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

Mr. COTTON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from New Hampshire will state it.

Mr. COTTON. How much time is remaining?

Mr. TAFT. As I understand it, the time remaining on amendment No. 987 at this time would be—would the Chair please state the time remaining?

The PRESIDING OFFICER. The Senator from Ohio has 37 minutes remaining and the Senator from Illinois has 26 minutes remaining.

Mr. TAFT. I thank the Chair.

Mr. COTTON. On what amendment?

The PRESIDING OFFICER. On the amendment now being considered, No. 987.

Mr. COTTON. But all of this debate has been on amendment No. 986.

The PRESIDING OFFICER. The Senator from Ohio stated that the debate has been on amendment No. 987 and by unanimous consent the time has been transferred to amendment No. 987.

Mr. COTTON. Mr. President, I ask unanimous consent to comment on amendment No. 986, which has been laid aside. Most of the time has been used up on amendment No. 987, and I wish to have 20 minutes to speak on amendment No. 986, which still might come up for consideration.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New Hampshire? The Chair hears none, and it is so ordered.

Mr. COTTON. Mr. President, I shall try not to use even that much time.

I simply want to get into the RECORD once more certain facts that I think the Senate should bear in mind concerning the matter of daylight saving time, which was such a hot issue back around 1965–1966. There are certain pitfalls which must be avoided. I doubt whether the Senate as a whole realizes how serious this matter could become if it is not handled most carefully.

So far as this Senator is concerned, if we want a clean-cut repeal of what the Senate did by adopting year-round daylight saving time, or if we want to accept the substitute amendment offered by the Senator from Oklahoma (Mr. BARTLETT) to have that repeal take place this October—even though I think I will go along with the distinguished Senator from Illinois (Mr. STEVENSON) and vote to give this a longer trial—I certainly would neither be taking the time of the Senate to speak about it, nor would I be much wrought up by it. But, I do want to raise a danger flag on any possibility of the

adoption of amendment No. 986 or any form of amendment which would permit either the Governors or the States to opt in and out of whatever system is in effect.

Here is the situation we faced back in about 1964. A bill came to the Congress, and we were urgently importuned to do something about the very confusing and extremely expensive situation concerning the observance of standard time and daylight saving time. It came to the Commerce Committee. At that time I was one of the younger members of the committee, and so the committee assigned me to go to work on the bill. It took several years. We had days, not hours, but days of the hottest kind of debate.

The situation that had arisen was this: Millions of Americans were living under advanced or daylight saving time for various periods of the year. There was no uniformity of the observance period. Some were on daylight saving time for but a matter of not more than 3 months; others were observing standard time all year round.

Thus, daylight saving time started and stopped on various and sundry dates. The nearest to any kind of uniformity was that in 15 States daylight saving time started on the last Sunday in April. In 16 other States that observed daylight saving time, they started on some 11 different dates throughout the month of May and into early June. But even the 15 States that started daylight saving time on the last Sunday in April did not finish at the same time. They did not all finish as we later established it by law in 1966 as the last Sunday in October. Rather, they finished it at various times ranging from August through October.

What was the result? The result was chaos. The expense in dollars and in time to the American people was colossal.

The economic and social costs are apparent when we realize that all of the modes of transportation—air, rail, bus, et cetera—as well as communications have to operate based upon the prevailing time. All such companies had to be changing their times, revising their schedules, and issuing new timetables before the 1966 act.

The cost to American business was estimated at many millions of dollars a year. In addition, time was lost by untold thousands of businessmen and others in various activities who were confused by the several time zones they passed through. It really was a very serious matter, and we had a hard time getting Congress to take remedial action.

Finally, we decided that all we could try to do—because daylight saving time has always been a very sensitive subject to the American people—was to seek certain uniformity. So we brought in a bill that simply provided a uniform observance period of daylight saving time but which allowed States to exempt themselves from such observance. They could even change their minds and come under daylight saving time later, if they desired.

All that bill provided was that daylight saving time, would start on the last Sunday in April and end on the last Sunday in October. Thus, there would be uniformity of change, which would save millions of dollars and all kinds of inconvenience throughout the country.

Surprisingly, we ran into a great deal of difficulty in even bringing about that change. Certain States were subjected to a hardship.

For example, I recall very clearly that the Senators from Missouri raised the point that because of the time zones, it would work a great hardship on them, unless they could have, I believe, the western part of the State on daylight saving time and the eastern part on standard time.

Finally, in the Senate, in order to avoid getting into a situation in which there would be three or four different time zones in a State, we amended the bill so that a State with parts in more than one time zone, could by law exempt either the entire State or the entire area of such State lying within any time zone.

Thus, after many years of striving, we finally got out of that "clock madness" situation. It had been a chaotic mess.

But, we kept having trouble. For example, the Senators from Kentucky, a few years ago, became very much upset about the situation and wanted to change the dates so as to shorten the period of observance of advanced time. Obviously, this proposed shortening would present a greater problem in the North than in the South.

Amendment No. 986, which has been laid aside, would permit, as I understand it—and the distinguished Senator from Ohio will correct me if I do not state this correctly—the Governors or States to opt out of year-round daylight saving time and to do so not only for the entire State but also for parts of States. Is that correct?

Mr. TAFT. The Senator is correct.

I point out, in passing, that if amendment No. 987 were adopted, amendment No. 986 would not be raised, because it would be contrary to the provisions of amendment No. 987.

Mr. COTTON. I understand. But, there still is a possibility that amendment 986 could come up.

As I said earlier, I would agree with the Senator from Oklahoma that we should not swap horses right now, especially since the last Sunday in April is so close upon us. I am even certain that I would vote for his substitute amendment, because I am not sure that we do not want to wait and have a little longer trial period. I think the Senator from Illinois (Mr. STEVENSON) is correct that we have not given year-round daylight saving time a fair trial.

The point that I want to be sure is clearly in the RECORD is that under no circumstances, in the opinion of the Senator from New Hampshire—and this is in no way a criticism of the distinguished Senator from Ohio, for whom I have great respect—should we run the risk of reverting to a situation such as prevailed before the 1966 act. If we jump back and forth, we are going to have a resurrection of the same confusion.

The one thing the Senator from New Hampshire hopes will not be permitted to happen is to go back to that situation. We should have year-round daylight saving time as an emergency measure for the time now allowed by law, or the time that the Senator from Oklahoma has in mind, or we should go back foursquare to the 1966 law so that the whole country knows what the situation is. Otherwise, we could easily slip back into a confusion situation without realizing the dangers.

Mr. President, I yield back the remainder of my time.

Mr. TAFT. Mr. President, I yield 10 minutes to the Senator from Iowa.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. CLARK. Mr. President, I wholeheartedly support the amendment to repeal daylight saving time in the winter months, effective next October.

Last December, in the face of grave concern over the Arab oil embargo and the energy emergency, the Congress passed the year-round daylight saving time bill. Testimony on the expected energy savings from winter DST was inconclusive—it varied sharply, depending on which expert offered an opinion. But along with the majority of other Senators and Congressmen, I believed that winter daylight saving time would save enough energy to more than compensate for the problems it would cause.

Since daylight time began on January 6, I have become convinced that the inconvenience, hardship, and dangers are not worth the small or possibly even nonexistent energy savings.

Through January and February, it became clear that the problems and dangers caused by early morning darkness are not minimal. They cannot be taken lightly. In Iowa, winter DST has been the most divisive and disruptive conservation measure established since the energy shortages began. No doubt it is equally true in the other States. One of the principal reasons offered for winter daylight saving time was that it would develop a spirit of cooperation—that it would be a sacrifice shared in common. It has had the opposite effect. During these months, schoolchildren were walking to school and waiting for buses in subzero darkness. Construction workers were unable to start work on time. Dawn to dusk radio stations were unable to broadcast on their regular schedules—and consequently were unable to provide vital community announcements such as school closings, weather reports, and road conditions. These are the hours when radio is most effective, most useful—they provide a significant public service which is now abrogated. In letters, telegrams and personal conservations, people in Iowa and across the Nation have stated very strongly that daylight saving time is not an acceptable way to save energy. Their voice ought to count for something in our deliberations.

Mr. President, I ask unanimous consent that several of the letters I have received as well as an article from the Des Moines Register be printed in the RECORD at this point.

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

WODEN, IOWA,
January 17, 1974.

Senator DICK CLARK,
Washington, D.C.

DEAR SIR: In your travels around Iowa I am sure you've heard many pros & cons on daylight saving times.

A few examples:

We are a retired couple, rising around 8 A.M. On standard time we didn't need lights, and would leave the thermometer at 64° while we did our daily work. Now we use lights for an hour or so, and find we need to turn up the heat.

Energy saving?????

In many towns around here, and I know Titonka, especially, there are rest homes, with 30 to 50 patients. They are wakened in the early hours—using extra lights and maybe heat—and go to bed with still daylight outside.

Energy saving???

School children grope their way to school buses in the dark, to schools that turn on lights on hour earlier, also heat, and go home to several hours of bright day light.

Businessmen, office workers, laborers, farmers, you name it.

All use extra lights and heat in the morning hrs. for that extra hour of daylight to spend—how???

Energy saving????

I say let Congressmen start the day an hour earlier still in daylight, and work in daylight, and go home to play an hour earlier if need be, but put the rest of the nation where the people really want it back on standard time, and do it now.

Senator, I apologize for one thing, I know you are trying, but let others there know how one (at least) angry citizen feels.

Yours Truly,

MRS. JACOB THIEBEN.

EDGEWOOD, IOWA,
January 16, 1974.

Senator RICHARD CLARK,
Washington, D.C.

DEAR MR. CLARK: According to your platform that you were elected on you were for the people.

Well this Daylight time isn't for the people of our State. Children go to school in the dark. Children that walked before this new time have to be taken now. Can't send them off in the dark. Don't know what is lurking, as Crime has been given first place in our society.

Everyone has to work with lights on until almost nine A.M. Don't know where you are saving energy. Just like cutting a blanket off at one end and sewing it on the other end, doesn't make it a bit longer. The poor farmer that got up at 5 A.M. is getting up at 4 A.M. Now you know the Lord set the sun in the sky for man to go by. A few men in the White House have nothing better to do than to change the time to meet their own social needs.

The Constitution was set up to run this Country and it still stands good today. Just like the Bible.

It should be as the Constitution states the government for the people and by the people.

Sincerely,

MRS. DONALD RIZER.

STORM LAKE COMMUNITY
SCHOOL DISTRICT,
Storm Lake, Iowa, January 17, 1974.

Senator DICK CLARK,
U.S. Senate,
Washington, D.C.

DEAR SENATOR CLARK: The Board of Education of the Storm Lake Community School District is very concerned about Daylight Savings Time as it relates to the time schedule for school children in Storm Lake and throughout the state of Iowa.

Our school board at its regular monthly meeting on January 15, 1974, passed a resolution opposing Daylight Savings Time for Iowa during the winter months and asked that I express their feelings to you by means of this letter.

We cannot comprehend this measure as being an energy crisis need because more lights are used in homes as the children are getting ready for school and we are finding that many families are using their automobiles to drive their children to school on these dark mornings.

To adjust our school time schedule when all other factions of our community are not adjusting time schedules creates a tremendous hardship for all of the families in our community.

I personally find in personal contact with the people of our district that there is a strong current of resentment against Daylight Savings Time in the winter.

Our greatest concern is the approaching winter of 1974–75 when we will have to be faced with this early morning darkness problem for several months. We ask that you give this matter your deepest consideration in the hope that you may be able to contribute toward a change in this situation for the future.

Thank you for any consideration given to this topic.

Sincerely,

DONALD A. AMEROSON,
Superintendent of Schools.

[From the Des Moines Register, Feb. 18, 1974]

DST SELF-DEFEATING IN TERMS OF SAVING ENERGY, SOME SAY

(NOTE.—This article was written by Bonnie Wittenburg from information gathered by Register reporters James Ney, Jack Hovelson, Thomas Ryder, William Simbro and Larry Eckholt.)

Voluntary conservation measures rather than Daylight Saving Time (DST) appear to be the major factor in any saving in energy use in Iowa, a Register survey shows.

Energy saved through Daylight Savings Time since it began Jan. 6 amounted to less than half of one per cent for customers of Iowa Power and Light Co. in Des Moines, Gene Young, assistant vice-president said.

He credited voluntary conservation efforts with a 3.5 to 5 per cent energy saving.

The problem, he said, was that persons forced to get up earlier were turning on lights and using electricity that they otherwise would not have used at a later hour.

DIFFICULT TASK

Utility officials across the state generally agreed that ascertaining the degree of energy conservation to be credited to DST is difficult, if not impossible.

"The one thing we have found that apparently was caused by Daylight Savings Time," Robert Riedeler, of Waterloo, Iowa, Public Service Co. official, said, "is that our peak electricity loads are coming at a different time."

He said that on Dec. 17, the utility's peak load was between 5 and 6 p.m. On Jan. 14, after DST had been in effect one week, the peak was at 9 a.m.

While the amount of energy saved by DST has either been negligible or impossible to ascertain, the amount of inconvenience it has caused is readily apparent.

Mrs. Carl Forrest, a Dubuque mother of five, reflected the attitude of many Iowans when she said she doesn't believe Daylight Savings Time makes sense.

"We use more lights when it's dark in the morning than we do at night," she said.

"In the morning, lights are on in the bathroom, the bedrooms, the upstairs closet, the downstairs closet, the kitchen, and even the living room because we've got to walk through it."

DANGER TO CHILDREN

A major criticism of DST has been the danger it represents for children walking to school in the pre-dawn darkness.

Mrs. Vernon Schandrett of Iowa City said she fears for the safety of the five of her six children who must go to school in the early morning.

"I hold my breath until 8:05 or so" (the time the bus picks her children up), she said.

Some Iowa schools opted to start classes later so children would not have to walk during the early morning hours when it was still dark outside.

Late last month Senator Dick Clark (Dem., Ia.) introduced a bill into the U.S. Senate asking for the repeal of DST—a major reason being the pre-dawn deaths in January of eight Florida schoolchildren.

There are other criticisms, too. A sampling:

"We don't like it," said Elmer Langan, a co-owner of Haine Farms near Muscatine. "Daylight Savings Time doesn't affect our operation too much because we work from dawn to dark anyway, but it has affected the people we do business with."

"ALL CLOSED UP"

"They are all closed up when we still work three or four hours afterwards. That can cause problems if we need repairs or something."

Nor does Mrs. Albert Nauman, whose husband runs a grain and livestock hauling business near Sherrill, like winter Daylight Savings Time.

She said hauling starts an hour or two later each morning, which means she must prepare the evening meal an hour or two later at night.

Part of the shortcomings in using DST to save energy stems from the need for electrical lighting regardless of the time of day. Oftentimes industrial and office buildings either have few windows or work areas are too far removed from windows to depend on anything other than electricity.

"There are few windows in the plant, so we can't depend on outside light," said Donald Sanders, vice-president of Thermolyne Company in Dubuque.

Charles W. Gardner, vice-president and store superintendent of Armstrong's department store in Cedar Rapids said: "Our consumption of electricity has been down since November because of energy-saving measures. But I think little, if any, of the savings is because of Daylight Savings Time."

That observation was echoed by Don Thomas, superintendent at Younker's store in Des Moines.

ELECTRICAL USAGE

Walter Walsh, an official at Banker's Life in Des Moines agreed that up to this time conservation measures have been the primary factor in electricity usage declines.

Harold Ewoldt, assistant executive vice-president of the Cedar Rapids-Marion area Chamber of Commerce said that from his discussion with businessmen—"Nobody seems to think DST has contributed much to energy conservation."

Iowans' wrath over DST has been cooling, however, now that sunrise is coming a half-hour earlier than when DST was begun Jan. 6.

"It's getting better already," said Barbara Boose, a Drake University junior. "The first time I went to my 8 o'clock class, it was really dark. Now I even get up and go to breakfast."

Yet, it appears DST is here to stay until October, 1975, unless someone comes up with an alternative.

Samuel Tuthill, Gov. Robert Ray's chief energy adviser, jokingly suggests: "I think we should have Standard Time in the mornings and Daylight Savings Time in the afternoons. We could omit the hour between 10 and 11 a.m."

Asked what he would do with the 10 to 11 hour, he replied: "That's usually coffee break time anyway."

Mr. CLARK. Mr. President, how much energy does daylight saving time really save? The Federal Energy Office statistics indicate that 14,500 barrels of oil a day are being saved for sure. That is less than

one-tenth of 1 percent of our energy use. It is so small a fraction that the statistical error factor is greater than the figure itself. The Federal Energy Office does say that an additional amount, equivalent to 85,000 barrels of oil is being saved in coal, natural gas, nuclear, and hydropower. Also according to the FEO, however, it is not always possible to convert the savings of other sources to savings of oil by transmitting it over the electricity grid system. So all these savings will not mean more available gasoline or heating oil or propane.

For example, a nuclear-powered plant in Chicago cannot necessarily send the power it saves to an oil-powered plant in New York. Some of the 85,000 barrels of oil equivalent is not a practical saving—but only a theoretical one. Even if we were to accept that figure, which I do not, it would mean a savings of only about one-half of 1 percent of our total energy consumption.

It has been said here today that there has been a 2.2-percent savings—200,000 barrels of oil equivalent, according to the Edison Electric Institute.

But surely the Edison Institute does not credit all those savings to daylight time. What about conservation? What about weather? Are we to assume that all electricity saved in this period is due solely to daylight saving time? I do not think the institute would substantiate that fact.

It would be inaccurate for us to attribute savings of 2.2 percent or 200,000 barrels of oil equivalent wholly to winter daylight saving time. In fact, the Edison Institute makes no such claim for daylight saving time; those figures relate to the total saving, including all the variables such as weather and conservation.

Advocates of winter daylight saving time argue that fewer people have been killed since daylight saving time went into effect. Of course, the problem with these statistics is that fewer cars are now on the road because of the gasoline shortages, and we have slower speed limits, so the figures are not clearly attributable to daylight saving time. Speed limits had not been legally lowered in January but the President was calling for 50-miles-an-hour limits and most Americans abided by it. In fact, the Federal Energy Office has made it very clear that none of these statistics are necessarily reliable or relevant. It is obvious to the most casual observer that there are thousands of variables that account for pedestrian deaths; to simply compare raw figures of one period to another is like comparing apples with oranges. It is quite meaningless.

In a report released yesterday, the FEO's Office of Energy Conservation said:

> The studies that have been undertaken to date are not definitive on either the energy savings (or losses) that might occur with DST, or the peripheral effects that might be experienced (crime, agricultural impacts, accidents, etc.)

It seems irrefutable to me that placing millions of young schoolchildren out on the streets and highways all across the Nation in darkness increases the dangers they face from cars and trucks.

Now, if afternoon or evening accident rates for children are down, it would not necessarily be due to daylight saving time. Actually, children returning home in the afternoon arrive at home before dark under either daylight or standard time. It is not dark either way—by 4:30 p.m. So it would not be a factor either way.

Later, in the same report, FEO indicates that it is unlikely that future statistics will be conclusive—"practically, the electrical energy savings that are achieved will be difficult to associate causally and unequivocally to DST because of many other influences tending to reduce electrical demand." Some electrical power plants assert that they have experienced savings; others have asserted that there is no saving. There is simply no conclusive evidence either way.

The burden of proof for maintaining such a program lies with those who believe it should be continued next year, and a report on the program is due in June. But, in the face of the admitted unreliability of the assessments of daylight saving time's savings, it does not appear that the report will be any more definitive than the statistics we have now.

The PRESIDING OFFICER. The Senator's 10 minutes have expired.

Mr. CLARK. I would like to ask if I may have 15 more seconds.

Mr. TAFT. Mr. President, I am glad to yield to the Senator.

The PRESIDING OFFICER. The Senator is recognized for 15 seconds.

Mr. CLARK. Mr. President, admittedly, unreliable statistics should not be used as a basis for maintaining a policy which has created so much inconvenience, and so many hardships for so many people. For this reason, I believe we should agree now to terminate daylight saving time next October.

The PRESIDING OFFICER. Who yields time?

Mr. TAFT. Mr. President, I ask unanimous consent that the names of the Senator from West Virginia (Mr. ROBERT C. BYRD), the Senator from Montana (Mr. MANSFIELD), and the Senator from Kansas (Mr. DOLE) be added as cosponsors of the amendment.

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

Who yields time?

Mr. TAFT. Mr. President, I suggest the absence of a quorum, the time to be charged to both sides.

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

The legislative clerk proceeded to call the roll.

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

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

Mr. TAFT. Mr. President, I yield 5 minutes to the distinguished Senator from Kansas.

Mr. DOLE. Mr. President, the year-round Daylight Saving Time Act is, in many respects, an example of Congress legislating blindfolded.

I opposed the passage of the act of 1973 and introduced a bill to take it off the statute books earlier this year, after a visit in my State—in all corners of the State—urban areas and rural areas. The measure was passed after only brief hearings, and at that time there was no solid, factual evidence that any energy would be saved.

I can say, based not only on experience, but also on the views of a great number of rural families and families in the cities of my State of Kansas, that winter daylight saving time met with very mixed reactions and generally with a certain degree of coolness.

There were estimates of how much fuel would be saved. As a matter of fact, there is evidence that there was a fuel loss. Congress authorized a study to indicate whether energy had been saved, which indicated a weakness in the act to start with.

A number of experts—both in and out of Congress—weighed in with their profound opinions that winter daylight time might save as much as 2 percent of our total energy requirements. But they did not present any real evidence—at least to my satisfaction—that having to turn on more lights in the morning and run furnaces an extra hour earlier during the coldest part of the day was going to save anything.

NOT EFFECTIVE OR BENEFICIAL

In fact, they really admitted that they did not have any idea of the effects of winter daylight time by writing into the bill a 2-year study to tell us, after the fact, what really happened.

Therefore, I voted against the bill, not because I am against programs to conserve energy, but because it just did not seem that a convincing case had been made for the law's effectiveness.

The information we have to this point is inconclusive. It is disrupting early morning radio broadcasting, causing inconvenience to farmers and hazard to children on their way to school in the darkness. It has had a very undesirable impact in many, many areas of the country.

After spending the first 3 weeks of winter daylight time in Kansas, I became convinced that its hardships, inconvenience and real hazards were too great to justify its continuation.

AUTHORED REPEAL MEASURE

So upon the reconvening of the Congress in January, I introduced S. 2894, a bill to repeal winter daylight saving time and undo what Congress never should have done in its burst of haste and poorly considered action.

An indication of the nationwide disapproval of winter daylight saving time was shown by the fact that joining me in sponsoring S. 2894 were the Senator from Oklahoma (Mr. BARTLETT), Texas (Mr. BENTSEN), Iowa (Mr. CLARK), Kentucky (Mr. COOK), Nebraska (Mr. CURTIS and Mr. HRUSKA), North Carolina (Mr. HELMS), South Dakota (Mr. MCGOVERN), Montana (Mr. MANSFIELD), Idaho (Mr. MCCLURE), Georgia (Mr. NUNN and Mr. TALMADGE) and Ohio (Mr. TAFT).

This bill would end winter daylight time on the first Sunday after its enactment and restore the Nation to the posi-

tion it was in before the law was passed. We would still have daylight saving time during the summer when adequate evidence exists that it does in fact save significant amounts of energy.

Of course, the calendar has taken care of much of the problem this year. However, I would suggest that the substitute to be offered by the Senator from Oklahoma would certainly be a step in the right direction as far as next fall and winter are concerned.

RETURN TO STANDARD TIME NEXT WINTER

The Senator from Ohio (Mr. TAFT)—who is a cosponsor of S. 2894—has offered an amendment which is entirely compatible with my bill.

It does, however, recognize that immediate repeal would not accomplish a great deal, since this year's period of winter daylight time is almost over, and we will shortly begin observance of regular summer daylight time. Therefore, it would allow the present period of winter daylight time to run its course and permit a return to standard time next fall when summer daylight time ends.

Mr. President, I am pleased to support this amendment, because it would put an end to a most unfortunate and ill-advised congressional experiment which has inflicted, inconvenienced economic loss and physical hazard upon millions of Americans.

A SERIOUS MATTER

I feel we should view this matter seriously because blunders such as this cannot help but undermine the public's confidence in congressional leadership. The people expect the laws we pass to be based on fact—not wishful thinking.

And when they see such total congressional ignorance about this simple and uncomplicated law's impact, they have good cause to wonder about Congress' homework on more complex pieces of legislation which come before it.

Therefore, I urge that we at least legislate an end to this mistake—and hopefully resolve to a better job of gathering facts and information about future proposals which come before the Senate.

Mr. President, I yield back the remainder of my time.

Mr. TAFT. Mr. President, I am willing at this time to yield back the remainder of my time on the amendment so that the substitute can be offered.

Mr. MANSFIELD. Mr. President, I yield back the remainder of the time on this side.

Mr. MAGNUSON. Mr. President, would the distinguished majority leader withhold his yielding back of time?

Mr. MANSFIELD. Mr. President, I withhold yielding back my time.

Mr. MAGNUSON. The substitute will be upon the first amendment that the Senator from Ohio is discussing?

Mr. TAFT. The Senator is correct. That is amendment No. 987.

Mr. MAGNUSON. And the other amendment which deals with the governors' options is not part of the substitute.

Mr. TAFT. The Senator is correct. The effect of the substitute would be merely a delay in the effective date until October.

Mr. MAGNUSON. The Senator will offer the substitute.

Mr. TAFT. The Senator is correct.

Mr. MAGNUSON. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back.

Mr. BARTLETT. Mr. President, I call up my amendment, No. 993.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk proceeded to state the amendment.

Mr. BARTLETT. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with and that it be printed in the RECORD.

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

The text of the amendment is as follows:

On page 1, between lines 2 and 3, insert the following:

"TITLE I—FAIR LABOR STANDARDS AMENDMENT".

On page 1, line 4, strike out the word "Act" and insert in lieu thereof the word "title".

On page 1, line 7, strike out the word "Act" and insert in lieu thereof the word "title".

On page 51, line 14, strike out the word "Act" and insert in lieu thereof the word "title".

On page 51, line 20, strike out the word "Act" and insert in lieu thereof the word "title".

On page 51, after line 20, add the following new title:

"TITLE II—AMENDMENTS TO THE EMERGENCY DAYLIGHT SAVING TIME ENERGY CONSERVATION ACT OF 1973

"TERMINATION OF EMERGENCY DAYLIGHT SAVING TIME

"SEC. 201. Section 7 of the Emergency Daylight Saving Time Energy Conservation Act of 1973 is amended by striking out 'April 1975' and inserting in lieu thereof 'October 1974'."

Mr. BARTLETT. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. BARTLETT. Mr. President, I ask unanimous consent that the amendments be considered en bloc.

The PRESIDING OFFICER. Without objection, the amendments will be considered en bloc.

Mr. BARTLETT. Mr. President, I ask unanimous consent that the names of the distinguished Senator from Iowa (Mr. CLARK), the distinguished Senator from Ohio (Mr. TAFT), the distinguished majority leader, the Senator from Montana (Mr. MANSFIELD), the distinguished Senator from Kansas (Mr. DOLE), and the distinguished Senator from South Carolina (Mr. THURMOND) be added as cosponsors of the amendment.

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

Mr. MAGNUSON. Mr. President, I have a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MAGNUSON. Mr. President, I would like to point out that I will listen intently to the Senator when he discusses his amendment here. I will be hopeful that if something can be worked out, we will not need a rollcall vote.

I want to get the Senator's word that, if possible, this amendment will be worked out and we can ask unanimous consent to dispense with the rollcall vote.

Mr. BARTLETT. Mr. President, there were several Senators who wanted a recorded vote on this. That is the only reluctance I have. I know some Senators feel very strongly and want to cast their vote for it.

Mr. MAGNUSON. Mr. President, we have rollcall votes on every thing after it has been accepted. I was here one day when the manager of the bill accepted an amendment to provide that the comma was on the wrong line. They had a rollcall vote on that.

Mr. President, I hope we can dispense with this and work something out. However, let us go along and see how it works out.

Mr. BARTLETT. Mr. President, the distinguished Senator from Iowa, the distinguished Senator from Ohio, and I met recently with two members of the Federal Energy Office to discuss daylight saving time. We discussed the matter with them for probably an hour and 15 minutes. We came away from that meeting convinced that this amendment should be adopted.

This will limit the experimental year-round daylight saving time to 1 year if adopted. We will continue the daylight saving time for the balance of this winter and then continue with regular summer daylight saving time which ends the last Sunday of October. However, if enacted, this amendment would eliminate daylight saving time next winter. The merits and demerits of winter daylight saving time are debatable. We may or may not have a miniscule amount of energy savings. My report from the Oklahoma Gas & Electric Co. indicate that they believe there is a possibility that more energy is required because of the daylight saving time in the winter months of January and February. However, they feel that the amount is so small that it is difficult to say one way or the other.

The Public Service Co., the other electric utility, said that they could not tell whether there was any savings or not because of daylight saving time.

The reports from other sections of the country are conflicting. Traffic casualties caused by daylight saving time may or may not be rising. Again, different areas of the country report different statistics.

Mr. President, one thing is irrefutable. The people of this country do not accept daylight saving time as a means of saving energy, if, indeed, there is any savings in energy at all. They, like I, can listen to arguments about how much energy is saved and yet come away unconvinced. They, like I, listen a bit incredulously to suggestions that our children are as safe waiting on a school bus and walking to school before dawn. Regardless of traffic fatality statistics which are down throughout the Nation because of less driving, slower speeds, weather, and so forth, I believe it is reasonable to

agree that going to or from school in the dark is more hazardous than going to or from school in the daylight.

Mr. President, by instituting a winter daylight saving time, and disrupting all our lifestyles, the burden is on the Government to prove the value of the experiment.

The American people do not mind sacrificing if the results are obviously beneficial.

If energy savings are required, the American people prefer some other way. For example, in Los Angeles, where they had a real power shortage of electrical energy, they have saved by various means 17 percent. This was because they had to do it, and they did it. So this country can save electrical energy in other ways than daylight saving time, if it is in actuality creating any savings.

Mr. President, we should continue daylight saving time for the rest of this winter. We are now through the shortest days of the winter, and are rapidly approaching the time when daylight saving is beneficial. The Sun is now rising almost an hour earlier than on January 1st of this year. To stop it now would require people to change their schedules when the law is enacted and then change again, perhaps just a few weeks later in April, when daylight saving time for the summer begins.

I urge that this amendment in the nature of a substitute be accepted. Passage will not mean the irretrievable loss of winter daylight saving time. It just means that the burden of proof is shifted, and it would be shifted to those in the Federal Energy Office and those who support it to prove to Members of Congress and the American people that there is true value in this sacrifice. If this burden is met, we can reinstate the program.

Mr. President, the American people have told us what they want, and I believe that it is our duty to respond.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. PASTORE. Mr. President, I think the answer is relatively simple. We have a habit of doing everything the wrong way. It stands to reason that the original jurisdiction on daylight saving time belongs to the Commerce Committees of the House of Representatives and the Senate, and the bill we are dealing with today deals with the minimum wage, which comes under the jurisdiction of the Committee on Labor and Public Welfare.

They have a rule in the House of Representatives that amendments that are irrelevant to the subject matter are subject to a point of order. So we are wasting a lot of time here debating these questions, and then they brush them aside in 5 minutes once the matter gets to conference.

If we wish to change the 2-year limitation on daylight saving time around the calendar, why does not someone introduce a bill on the merits of that particular case, and not fuss around with it when we are talking about increasing the minimum wage to $2.20 an hour for our workers, so that it will be more profitable for them to go to work rather than going on social welfare?

I will say very frankly, I think that if we do pass this amendment, when it gets to the House it will not stand up even for 5 minutes. On a point of order it will be knocked out; I make that prediction. All we are doing here is wasting time on nongermane amendments, when we have very important business before the Senate, that is, doing something for the workers of America.

The PRESIDING OFFICER. Who yields time?

Mr. PASTORE. I am ready to make a motion to lay on the table, Mr. President, when time on the amendment is yielded back.

The PRESIDING OFFICER. Who yields time?

Mr. MAGNUSON. Mr. President, I shall take just half a minute.

I have assured the Senate many times during the hearings that in September we would take a look at how this bill was working, and we would be prone to take action if we thought we needed to change the time limitation. Now this proposal comes along, which means that we will have to have oversight hearings anyway, and if we decide the facts are as I think they are, we will have to turn it around and get everybody in the country all upset again.

I do not see any reason for this amendment being on this bill. I, too, think it was quite unfair that no one was here when the unanimous-consent request was made, and this was put, by unanimous consent, into a wage and hour bill. If anyone had been notified, we would have objected to it and said, "Bring it up as a bill."

I shall hold some hearings, on how this worked if it did work, and we will have all our facts by then. I am just hopeful, as the Senator from Rhode Island has said, that the Senate will not do business this way.

The PRESIDING OFFICER. Who yields time?

Mr. WILLIAMS. Mr. President, I certainly agree, as one of the managers of the wage and hour bill before us, that this nongermane amendment, which is not relevant at all to what we are doing with the bill before us, raising the minimum wage, should be rejected. To have this imposed upon that bill would certainly delay action, confuse the matter, and we could not predict with certainty just when we would be able to bring to the lowest-paid workers this little bit of relief in these tough inflationary times.

The Senator from Rhode Island has predicted that this provision would go out on a point of order. Ultimately that question would be raised in the House of Representatives, there is no doubt about it. But before it finally got there, I will tell you, this would be a confusing factor that would waste time, time and time again, and I would say that if that motion to lay on the table is made, it should overwhelmingly prevail, if we are intent upon dealing with the subject matter before us efficiently now.

It must be remembered that this minimum wage bill has been before us now for 3 years. We have passed this bill before. It has been vetoed, and in fact we have made adjustments with the hope that it will not be vetoed this time. It is long overdue, and this particular extraneous amendment will certainly cloud the whole objective over, and we do not know exactly when we would get the desired results.

The PRESIDING OFFICER. Who yields time?

Mr. BARTLETT. Mr. President, this amendment, if it is adopted, will give ample opportunity for the Committee on Commerce to have oversight hearings to fully consider the results of studies that have been undertaken as to whether in fact there have been savings under the winter daylight saving time program, whether in fact there have been youngsters put in peril because of the daylight saving time program, and other aspects of it.

What this amendment would do is shift the burden of proof to those who support winter daylight saving, to show that it in fact has worked; 98 percent of our mail indicates that the people of Oklahoma do not want winter daylight saving time as a means of saving energy, because, first, it is very questionable, and second, it is a hazard to the youngsters, and certainly it creates inconvenience for all.

I talked recently with the Superintendent of Schools of one of our two major cities, Tulsa, and he indicated that the additional bill for energy for the school system was very large because of the daylight saving time program. More classrooms had to have light more often; they had to light the parking area; they were unable to buy more buses and improve their transportation system, so many of the parents are taking the younger schoolchildren, in kindergarten and the lower grades, to school, and thus using more energy than would otherwise be used.

So I feel that this experiment has not worked. But perhaps the more important thing is that I am convinced that people across the country do not want it, and I think this is what representative government is all about.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. PASTORE. Mr. President, I am not surprised at the argument made by the distinguished Senator from Oklahoma. I do not question the merits of his argument. All I am saying is that we are making the effort on the wrong bill.

The problem the Senator cites we have had all along, ever since we enacted the law; why wait for a minimum wage bill in order to get at the problem of daylight saving time?

Under the original law, the bill we passed provided for a report by June 30. The Senator's amendment provides we are going to have daylight saving time

anyway until the 30th of October. So let us wait until June 30, and see what they say. If it has not worked out, I will be the first to vote for its repeal. All I am saying is, this is a useless effort, for the reason that we will get into a jurisdictional problem in the House, a point of order will be raised, and all this effort will go for naught. That is the reason I feel it is the wrong amendment at the wrong time and on the wrong bill.

At the proper time, I shall move to lay it on the table.

Mr. JAVITS. Mr. President, I should like to sustain the position of the Senator from Rhode Island (Mr. PASTORE) and the Senator from New Jersey (Mr. WILLIAMS) and others who have argued that this is the wrong bill on which to drive for this amendment—for two reasons: One, we have momentum in the minimum wage bill now. We have been blocked, as everyone knows, by the youth differential problem, although that has not been resolved to everyone's satisfaction, but I have the instinctive feeling that the bill now has momentum because we have overstayed our time on raising the minimum wage, and even the President's letter on this subject recognizes that fact.

I think the momentum will be blocked and perhaps permanently lost if we get into a side jurisdictional squabble like this one, as the Senator from Rhode Island (Mr. PASTORE) has just so eloquently stated.

That is reason No. 1 which is conclusive. Those who want the minimum wage bill—and many do not—but for those who want it, whatever they may think about daylight saving time, they should vote to table.

The second point, and equally important, is this: If we want to get a nongermane amendment onto a bill, at least pick a bill of the committee which has the jurisdiction. Then there is always the possibility that we can work it out with the House. But to put it on a bill to which it is not germane and pick a committee which has nothing whatever to do with daylight saving time, makes it impossible. So that if we lock it in, we absolutely block something that could go. I am speaking now to those who favor the amendment repealing daylight saving time. We do not even do that efficiently because we are putting it on a bill with a committee that has no jurisdiction. So I say, pick an interstate commerce bill if we want to try that gambit, but they are not even doing that.

Mr. MAGNUSON. If we look at the calendar on any given week, we will find it loaded with bills from the Commerce Committee. We have said over and over again that before this ends we would have full-fledged hearings on this particular subject. We told the Department of Transportation to report not later than the 1st of July. So I do not know what this is or why we use this sort of tactic, particularly when we will have all kinds of trouble over there with what is in the minimum wage bill, let alone having something on it that does not belong.

Mr. JAVITS. That is exactly right. We all know around here—it is said every day a hundred times—that we all know how to count, so there is no use in my appealing to those who are against the minimum wage bill. I do not question their good faith or sincerity. I am appealing to those who are for the bill and we seem to be two-thirds of the Senate. So let us not kill it. Let us support the Pastore motion.

Mr. PASTORE. Mr. President, I move to lay it on the table.

Mr. TAFT. Mr. President, there has been a lot of comment made on the procedures to follow, but the fact is that this measure is sound. It is wanted badly by the people. It is wanted by a 2-to-1 margin, in my constituency at least. When we think of most other people in the country wrestling with this problem, we believe it is proper to bring it up now under the procedures of the Senate. It is here to be voted on. There are people who do not want to vote on it. If we do, as the Senator from New Hampshire has already indicated, on the great problems we have with daylight saving legislation, the House may or may not, in view of public pressure involved on this particular issue, decide to question the germaneness. I do not know how the rule would work out at that point, but this procedure has been followed many times. It is true, there are many bills from the Commerce Committee on the calendar which may come up. I dare say, consistent with the position taken by the distinguished chairman, he would oppose setting up this measure to any bills from the Commerce Committee just as he opposes attaching bills to any other committee at this time.

Mr. MAGNUSON. We have until September to bring it up.

Mr. TAFT. That is correct. But the time will go back into effect in October and the hardship will begin in October. With the controversial nature of this, it is none too early to bring up this measure and put it to a vote.

The PRESIDING OFFICER (Mr. HATHAWAY). Who yields time?

Mr. MAGNUSON. Mr. President, I yield back my time.

Mr. PASTORE. Mr. President, I think we have said everything that needs to be said.

Mr. BARTLETT. Mr. President, I yield back the remainder of my time.

Mr. PASTORE. Mr. President, I move to lay it on the table.

Mr. TAFT. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. Would the Senator from Rhode Island state which amendment he moves to lay on the table?

Mr. PASTORE. Amendment No. 987 together with the substitute, amendment No. 993.

The PRESIDING OFFICER. The question is on the motion to table the amendment of the Senator from Ohio (Mr. TAFT) (No. 987), which would carry with it the amendment of the Senator from Oklahoma (Mr. BARTLETT) (No. 993).

On this question the yeas and nays have been ordered and the clerk will call the roll.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

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

The question is on agreeing to the motion of the Senator from Rhode Island (Mr. PASTORE) to lay on the table the amendment of the Senator from Ohio (Mr. TAFT) (No. 987) which would carry with it the amendment of the Senator from Oklahoma (Mr. BARTLETT) (No. 993).

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Delaware (Mr. BIDEN), the Senator from Indiana (Mr. HARTKE), the Senator from Kentucky (Mr. HUDDLESTON), and the Senator from Colorado (Mr. HASKELL) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Maryland (Mr. MATHIAS), the Senator from Maryland (Mr. BEALL), the Senator from Texas (Mr. TOWER), and the Senator from Tennessee (Mr. BROCK) are necessarily absent.

I further announce that the Senator from Connecticut (Mr. WEICKER) is absent due to death in the family.

The result was announced—yeas 48, nays 43, as follows:

[No. 60 Leg.]

YEAS—48

Aiken	Gravel	Muskie
Baker	Hansen	Packwood
Bayh	Hart	Pastore
Bellmon	Hatfield	Pearson
Bennett	Hathaway	Pell
Bible	Hughes	Percy
Brooke	Inouye	Proxmire
Buckley	Jackson	Randolph
Cannon	Javits	Ribicoff
Case	Johnston	Roth
Cotton	Kennedy	Scott, Hugh
Cranston	Magnuson	Stafford
Domenici	McGee	Stevenson
Eagleton	McIntyre	Symington
Fong	Montoya	Tunney
Fulbright	Moss	Williams

NAYS—43

Abourezk	Eastland	Metcalf
Allen	Ervin	Metzenbaum
Bartlett	Fannin	Mondale
Bentsen	Goldwater	Nelson
Burdick	Griffin	Nunn
Byrd, Harry F., Jr.	Gurney	Schweiker
Byrd, Robert C.	Helms	Scott, William L.
Chiles	Hollings	Sparkman
Church	Hruska	Stennis
Clark	Humphrey	Stevens
Cook	Long	Taft
Curtis	Mansfield	Talmadge
Dole	McClellan	Thurmond
Dominick	McClure	Young
	McGovern	

NOT VOTING—9

Beall	Hartke	Mathias
Biden	Haskell	Tower
Brock	Huddleston	Weicker

So the motion to table was agreed to.

Mr. PASTORE. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. MAGNUSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. PEARSON. Mr. President, 36 years ago, Congress, in approving the Fair Labor Standards Act, endorsed the fundamental principle that the American worker ought to receive a decent living wage. With the passage of this law, a wage floor was established for millions of American workers. From time to time in the intervening years, we have increased the minimum wage and broadened its coverage, guaranteeing that increasing numbers of working Americans will no longer have to endure poverty.

Today, the Senate considers raising the minimum wage from $1.60 to $2.20 per hour for almost 50 million workers presently covered under the act. In addition, we propose that FLSA coverage be extended to many millions more low-paid workers. As in times past, opponents to the legislation have raised the specter of spiraling inflation, increased unemployment and severe financial loss if this bill is passed. Yet, the record will show that each time the wage floor has been increased, none of these dire predictions have materialized.

Mr. President, as in the past, I intend to support an increase in the minimum wage and an expansion of wage and overtime coverage. I take this action, because I am convinced that no American should be required to work full time for wages which fail to equal or surpass the poverty level. In 1966, the last time an increase in the minimum wage was approved, a floor of $1.60 per hour was sufficient to provide a decent income. But in the last 8 years, the Consumer Price Index has risen 42.5 percent. We find that the person working for a minimum wage, 40 hours a week, 52 weeks a year, is not earning enough to place him above the poverty level. The bill we consider today will help the low-income worker make up much of the ground he has lost while opponents of this bill have argued against its passage. Support of this bill is a vote to provide a decent standard of living for approximately millions of low-paid workers in this country.

Much of the debate on this bill has centered on the so-called youth differential amendment, which would provide a subminimum rate for workers under 18 years of age. Although the amendment's sponsors have modified it to prevent a young worker from receiving such a wage for more than 6 months, I believe the consequences of passing such a proposal would create much confusion and unrest in the labor market.

The proposal would encourage employers to hire young workers and ignore equally qualified workers over 18 who have, quite often, more responsibilities than their younger counterparts.

The proposal would attract young workers to menial jobs with little opportunity for advancement, and it would also encourage school nonattendance and dropouts.

Finally, the subminimum rate would add to the instability of work programs of minors by encouraging a constant turnover of so-called cheap labor.

Under the present minimum wage law, a full-time student may work in a retail or service job at 85 percent of the minimum wage for 20 hours a week. During vacations and holidays they may work full-time at the foregoing rate. An added condition is that such persons must receive a certificate from the Department of Labor that their work does not replace an adult.

The bill now being considered would add education institutions to retail and service jobs.

Mr. President, this is neither the first nor the last time we shall debate over the minimum wage. We must recognize that the wage structure of this Nation has changed and will continue to do so. In my judgment, this bill is justified in the wake of 8 years of inflation and a generally rising standard of living for all, but the lowest-paid Americans. For those who stand to gain from this legislation, the increase in earnings could be the difference between a decent diet or malnutrition, adequate or substandard housing, and the dignity of useful pursuits or welfare.

The principle behind the minimum wage is sound, providing substance to the promise of prosperity. Its practice is long established in our Nation, one which takes pride in the rewards and dignity of honest work. I am convinced that the increase and expanded coverage contemplated in this legislation is justified and necessary at this time.

MINIMUM WAGE BILL—PROMISES TO KEEP

Mr. HUMPHREY. Mr. President, the Fair Labor Standards Act of 1938 held out to the American worker the promise of wages and working conditions that would permit "the maintenance of the minimum standard of living necessary for the health, efficiency, and general well-being of workers."

It is with this fundamental covenant between the Government and our Nation's working people clearly in mind that the current minimum wage bill must be viewed.

Regrettably, and despite the heroic efforts of the able chairman of the Committee on Labor and Public Welfare, Mr. WILLIAMS, the Government has broken its promise, shattered its covenant, and failed to provide a minimum wage that even approached a living wage. Due to the effective opposition of the Nixon administration and its business friends, the minimum wage has degenerated from a "well-being" assuring wage to a "welfare" assuring wage.

Rather than serving as a floor on wages to protect workers from poverty, the minimum wage has become a guarantee of poverty itself. The current $1.60 per hour minimum wage level will gross a full time worker a mere $64 per week or $3,200 per year. For the head of a family of four, this income level is $1,300 less than the official poverty level and leaves this working poor family eligible for welfare. Those who howl most about swelling welfare rolls and the demise of the work ethic, can begin to reinstate the work incentive for low-income people by supporting this modest legislation.

There can be no question that a rise in the minimum wage level is long overdue. Eliminating all of the other valid arguments relating to productivity gains, wage levels in the general economy, and the like, the proposed wage level in this bill is fully justified simply because of the devastating effects of inflation in the last 5 years. Those working at the minimum wage level have seen the real purchasing power of their paychecks plummet disastrously.

Since the last increase in the minimum wage took effect in February 1968, inflation has soared by more than 35 percent, reducing the real value of the minimum wage from $1.60 to $1.19. In other words, the worker earning the minimum wage has lost 40 cents worth of goods and services for each hour he works because of inflation alone, compared to 1968. Workers on minimum wage are unquestionably much worse-off in 1974 than they were in 1968. The Nixon years have been exceedingly hard on the working people.

While passage and enactment of the minimum wage bill before us will help to bring this wage level closer to its purchasing power in 1968, it will not achieve that modest end. The $2 level is a mere 25-percent increase in wages, while inflation has risen well over 35 percent. Even when the $2.20 level is achieved, given inflation expectation this year, workers under minimum wage will not have restored their 1968 purchasing power.

More specifically, between February 1968 and March 1975, the earliest possible effective date for the $2.20 minimum wage, inflation will have eaten away 42 to 45 percent of its real value. This means that the value of the $2.20 minimum wage is equivalent to about $1.52 in 1968 dollars. It is a sad commentary on conditions in our country today when the only way we can get a minimum wage bill enacted is by accepting a deterioration in its real value as part of the compromise.

The bill does break important new ground by extending coverage to 7 million additional workers. These include certain types of farm workers, domestics working in private homes, Government workers, and those employed in retail and service establishments. It is time that these workers were assured the modest wage levels of the minimum wage law.

Mr. President, over the year I have become convinced that we must provide that the minimum wage be adjusted annually to reflect cost of living increases and productivity gains during the prior year. It is incongruous that Federal employees, many union workers

under labor contracts, and our social security recipients, receive such protection, while the working poor, perhaps the least able to do so, are asked to face it alone.

With this situation in mind, and with full knowledge of its importance, I have asked Senator WILLIAMS to have his committee staff undertake a major study of this proposal during the coming year. The chairman has informed me that he fully agrees that such a study is needed and will move ahead promptly to see that it is undertaken.

I ask unanimous consent that my correspondence with Senator Williams on this proposal be printed at the end of my remarks.

Mr. President, I urge all of my colleagues to join me in supporting this legislation. It is time the covenant between the Government and our workers, established in the Fair Labor Standards Act, be restored and the promise it held fulfilled.

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

FEBRUARY 21, 1974.

Hon. HARRISON A. WILLIAMS,
Chairman, Committee on Labor and Public Welfare, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: I am pleased to learn that your Committee soon will report another Minimum Wage Bill. No one can responsibly object to increasing wages for those at the lowest end of the Nation's wage scale, given the time that has passed since the last increase, productivity gains in that period, and the decline in real wages caused by continuous high inflation.

However, if the extraordinary rate of inflation of the past year continues in 1974, or increases, as most economists predict, the real value of the minimum wage increase will be substantially reduced.

As I said last July when the Minimum Wage Bill was debated in the Senate "the time has come for Congress to address the need to continually adjust the minimum wage to economic reality." As we make substantial progress in extending the coverage under minimum wage to all American workers, I believe we must also focus increasingly on protecting the "purchasing power" of those working under the minimum wage.

In this regard, I think it would make a great deal of sense to have your Committee carry out an in-depth study of this subject during the next year. Such a study would focus on how to assure that productivity gains and the inroads of inflation are reflected, as soon as practicable, in the National Minimum Wage level. The report would conclude with specific legislative proposals to achieve this objective.

I would appreciate knowing what you think of this idea. Obvously, I would strongly support any effort you might make to secure the funding needed to undertake the proposed study.

Congratulations on the new Minimum Wage Bill and good luck in your efforts to have it enacted.

Sincerely,

HUBERT H. HUMPHREY.

MARCH 5, 1974.

Hon. HUBERT H. HUMPHREY,
U.S. Senate,
Washington, D.C.

DEAR HUBERT: I appreciate your thoughts on the need to protect the purchasing power of those working at minimum wages and recall your desire last year to incorporate a mechanism in the Fair Labor Standards Amendment to achieve that goal. Our concern at that time, as it is now, was that the inclusion of an automatic cost of living type escalator might deter future efforts to broaden coverage for those not yet protected by the Act. Your suggestion, however, that a study be undertaken this year, strikes me as very helpful. Such a study would also enable us to consider carefully the best method of marrying such an automatic increase mechanism with universal coverage.

I have directed the staff of the Subcommittee on Labor to explore this matter further with your staff and I appreciate your offer of assistance if additional funding would be necessary.

I look forward to visiting with you further on this issue.

With warm personal regards,

Sincerely,

HARRISON A. WILLIAMS,
Chairman.

Mr. HUGH SCOTT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HUGH SCOTT. What is the pending question?

The PRESIDING OFFICER. The pending question recurs under the previous order for the consideration of Senator TAFT's amendment No. 986.

Mr. HUGH SCOTT. Mr. President, will the Senator from Ohio yield to me for 1 minute?

Mr. TAFT. I am glad to yield.

VISIT TO THE SENATE BY MEMBERS OF THE WESTERN EUROPEAN PARLIAMENTARY UNION

Mr. HUGH SCOTT. Mr. President, we have in the Chamber a number of distinguished gentlemen, who are members of the Western European Parliamentary Union. [Applause, Senators rising.]

I ask unanimous consent that the Senate stand in recess for 5 minutes in order that the Senators may greet their colleagues from Western Europe.

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

RECESS

Thereupon, at 2:28 p.m., the Senate took a recess until 2:33 p.m. During the recess the members of the Western European Parliamentary Union were greeted by Members of the Senate.

On expiration of the recess, the Senate reassembled and was called to order by the Senator from New Mexico (Mr. DOMENICI).

FAIR LABOR STANDARDS AMENDMENTS OF 1974

The Senate continued with the consideration of the bill (S. 2747) to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rate under that act, to expand the coverage of the act, and for other purposes.

Mr. TAFT. Mr. President, I withdraw my amendment, No. 986.

The PRESIDING OFFICER. The amendment is withdrawn.

The bill is open to further amendment.

Mr. DOMINICK. Mr. President, I send an amendment to the desk, in behalf of myself and the Senator from Ohio (Mr. TAFT), and ask that it be stated.

The PRESIDING OFFICER. The amendment will be read.

The second assistant legislative clerk read the amendments, as follows:

On page 16, strike lines 17 and 18 and insert in lieu thereof "be less than $200 in any calendar quarter.".

Beginning on page 16, line 25, strike through line 2 on page 17 and insert in lieu thereof "for such work would be less than $200 in any calendar quarter.".

Mr. DOMINICK. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. DOMINICK. Mr. President, for the benefit of those colleagues who are here and who have not taken the easy way out so they do not have to listen to the debate, I want to say I am not going to be taking more than 10 minutes. This amendment is somewhat repetitive of an amendment I offered before dealing with domestics.

As I said, the bill as reported out of committee requires that a minimum wage be paid to a domestic who receives more than $50 in a quarter. All one has to do, Mr. President, is divide that amount by the number of weeks in a quarter, and he will see it averages out to $4 a week.

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

Mr. DOMINICK. I yield.

Mr. PASTORE. Would not the Senator want the manager of the bill on the floor while he is making his debate?

Mr. DOMINICK. I would like to, but I do not much care, because they are going to vote the amendment down. If he wants to be here, fine.

Mr. PASTORE. I was going to suggest the absence of a quorum. If the Senator does not care, it makes no difference to me.

Mr. DOMINICK. I will be happy to yield.

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

The PRESIDING OFFICER. On whose time?

Mr. PASTORE. On the time of the manager of the bill.

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

The second assistant legislative clerk proceeded to call the roll.

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

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

Who yields time?

Mr. DOMINICK. Mr. President, I thank my friend from Rhode Island. I yield myself 10 minutes, as I said earlier. I hope to get to a vote in 15 minutes, for I expect the Senator from New Jersey is not going to debate this amendment very long.

This amendment is similar to my amendment No. 290—or, I should say, 990. I beg the Senate's pardon. We have

had so many amendments, that I cannot remember the hundred's. But, for the benefit of the Senate, the amendment is similar to amendment No. 990, with a technical change.

I argued the question of domestics at some length the other day, and when we put it to a vote, I got defeated. I presume I will be defeated again. But just for the record, I think I should put my principal reasons for offering this amendment into the RECORD.

The bill as reported by the committee requires only that one pay a domestic, whatever a "domestic" is, it is not defined in the bill, $50 a quarter. If we divided that amount by the number of weeks in a quarter, we come up with something like $4 a week. That means if one tries to help his neighbor's son by having him mow the lawn, or if he has a favorite babysitter because she happens to be a friend of his daughter, and he hires her 2 or 3 times in the process of a quarter, he not only has to pay the minimum wage, but he also has to file reports with the Department of Labor. The net effect of that is going to be that he does not hire his neighbor's son. He mows the lawn himself.

The net effect is that one does not have a "babysitter." He gets a friend to take care of the household while he is away so that the household will not be run over either by the kids or by someone from outside.

In the end the net effect is a massive disemployment of domestics. If we put in the $200 a quarter which I am suggesting, instead of the $50, we change the situation rather substantially. We are dealing with people who are in the business rather than somebody picking up money for school or for incidentals. We are dealing with someone who ought to be paid at least a minimum wage anyhow as a regular employee.

I personally do not know anybody—perhaps the Senator from New Jersey does—who does not pay at least a minimum wage. One would not have to worry so much about how much two hours sitting and looking at television is worth, or how much it is worth to have someone in and give them a couple of Coca-Colas. One does not have to worry about giving a glass of milk to someone if that someone happens to be a window washer on a hot day. We would require something that is much more tangible.

As I said, I do not expect that any amendment is going to be adopted. The Senator from New Jersey has done a fabulous job. So has the AFL-CIO. Apparently we are going on the basis that no amendments will be accepted. That is their privilege. That is their procedural right. If the majority in favor of the bill should succeed in getting the bill out of conference in its present form, the bill will go to the President and I confidently expect him to veto it again as he did last year. Once again we will be in a position where we are not giving a minimum wage to anybody.

What I have always believed, as part of my legislative job is that if there is a bad bill and I do not like the bill anyhow, I try to make it better. Otherwise I would be saying, "Let us do a whole lot of things. Let us bring in everyone else and put them all on a minimum wage whether they work or not. Who cares?"

As it is, I am trying to make a bad bill better. We have been unsuccessful in every single move that has been made and have been unsuccessful by a rather overwhelming vote.

This amendment is one, though, that has nothing to do with the degree of coverage. It has nothing to do with the question of paying overtime to State, Federal, and local employees which would overrule all the labor agreements that have been reached between the local municipalities over the years with their firemen and policemen.

It has nothing to do with any youth differential. It is just a very simple thing. It says that unless a domestic makes $200 in a quarter, an employer does not have to bother with all of these forms which I have described and he does not have to pay the minimum wage. It does not make any difference to me. I suspect that most Senators would have to file reports anyhow. I am not trying to mark the domestics out. I am not trying to say "No." I am trying to make a reasonable requirement out of it. I would hope that in the process of considering the bill we may do that. A number of people who are not listening to the argument, may 2 years from now read it in the Digest, although I doubt it, and then might say, "I wonder why we didn't do that."

What I am trying to do is to get some of the people who need something within the scope of the bill, and to keep out those who do not. This amendment follows that idea.

I reserve the remainder of my time.

Mr. WILLIAMS. Mr. President, I yield myself as much time as I may require, within the limitations of the time on the amendment.

It is true that the amendment's basic subject matter has been dealt with. We have had a vote that the coverage of domestics should not change. The earlier amendment, as the Senator from Colorado says, is a change from the prior amendment that was defeated. A change, however, which has the effect, in substance, of approaching just what the last amendment did; that is, to cut out of coverage under the Fair Labor Standards Act of 500,000 employees, domestic workers, who otherwise, as a result of the bill, would be covered under the minimum wage law.

The approach is to change the test of coverage from the test that is applied to workers for coverage under social security to a new test of $200 in wages in any calendar quarter.

What this amendment does is to put a new dimension of bookeeping responsibility on those who employ domestics, whether they are housewives who want to be relieved of that part of the housework that the domestic will do, or whether they are working heads of households or are working women of the household who need someone to come into the home. They will, as a result of this new test for including them in terms of social security coverage, in terms of how much in a quarter the worker is making, come under a new quarterly test, an additional quarterly test, for minimum wage coverage.

There has been a lot of concern that we are adding a lot of bookkeeping problems to the lives of housewives and others who employ domestics. I do not believe we are. It seems to me that a woman who has the ability to balance her checkbook and manage her checkbook has ample ability to determine whether the earnings are sufficient to be covered under the minimum wage law. But if there is any concern about the ability to manage the coverage under the law, it is certainly complicated by this new approach, the new quarterly approach for a minimum wage basis.

That is not considered to be the compelling reason for rejecting this amendment. The compelling reason is the same reason why we voted to reject its predecessor amendment the day before yesterday; that is, those who work in the domestic service, we know, are truly at the bottom of the economic ladder of wage earners. That is No. 1. No. 2 is that the nature of their employment puts more burdens on them than on most other workers. I think the pattern of employment is to work in several households, so they have to go first to Chevy Chase on one day, to Bethesda on the next, and perhaps to Arlington or Alexandria on another day.

Just the transportation alone, to get to this kind of work, is a heavy burden. Beyond that physical, logistical problem that the domestic worker faces, he or she is faced with a history of lack of respect, in a sense, for the nature of the job. I will not say lack of respect for the individual, but it has been considered mean and menial work, and part of the reason for that is that this work has never been rewarded with a living wage.

We are trying now to establish the beginning of opportunity for people doing domestic work to earn for their labor enough to keep their bodies and souls together. And believe me, at these rates that is just about all that can be accomplished. The rate that we included in this measure, in this start-up provision for coverage of household domestics under the law, is $1.80 per hour. Multiply that out by the average week, and I will tell you, that produces an income for this family that is right on the borderline of poverty. I do not think it is enough, but we are faced with the realistic fact of life that for any coverage we are going to have to start low in order to get them included.

For these reasons, I again resist the amendment offered by the Senator from Colorado, and, with full respect for his personal application and dedication to his job. I differ with his viewpoint, though I certainly respect his conscientious work on the questions that come before our committee. As he has failed in the committee, with every right he brings the same questions here to the

floor, though I hope that the Senate will reject his amendment.

I might say at this point, however, that the Senator from Colorado has suggested that we of the majority on the committee have been dogmatic since the beginning of our consideration of wage and hour legislation, the minimum wage bill. This is far from the fact. I do not want to describe it all now, but later on I will perhaps, if necessary, describe the changes that have been made in response to the hearing process and committee discussions, and since Senate action and the veto. Again and again we have had to come back. Mindful of the fact that we are way overdue in bringing up to date the minimum wage law, the 1966 act and its provision for $1.60 for the hourly minimum wage, now produces in real return what $1.43 was worth then. So we are way behind in bringing the lowest wage earners up to that minimum level again in these inflationary times.

Mr. DOMINICK. Mr. President, I yield myself 2 minutes. I just want to say to my distinguished Chairman that we did not hold any hearings on this bill this year at all. We have never gotten, as far as I know, any kind of a legal opinion on whether Congress has the right, under the Constitution, to regulate the wages of domestics. We do not have the right to apply fair labor standards unless the "intrastate" activity substantially affects "interstate" commerce.

The answer we get from the report is that this activity substantially affects interstate commerce because some domestic is supposed to be using a vacuum cleaner made out of the State.

That is about as thin as anything I have ever heard. If we can reach into every small town in this country and tell them what they ought to do about the wages of the people they employ in their own households, whether it is Springfield, Ill., or Julesburg, Colo., and do it legitimately, then I would say that there is no point in trying to have a Federal system any more. We might just as well run the whole Government out of Washington, and heaven knows we are doing a bad enough job now on that.

I would also say that the $1.80 figure which has been put out by the chairman will last for only 1 year. Then it goes to $2 and then to $2.20. This is the same method of computation that Senator TAFT and I tried to put up, except that we went to $2.30, and the majority of the committee put that down and refused to accept it.

So any implication that we are trying to slow down the minimum wage increase, which is badly needed is, of course, wrong. It is a matter of fact, that if they had adopted Senator TAFT's and my idea some 2½ to 3 years ago, the minimum wage would be higher now than is proposed in this bill. The committee bill got blocked originally in the House of Representatives. Then the next bill was passed in this body and then in the House of Representatives. We heard the same speeches as we have had on this bill. The bill went downtown and got vetoed, and the veto was sustained in the House of Representatives.

Senator TAFT and I brought up a bill last fall for a minimum wage, and that was tabled, I think on the motion of the Senator from Rhode Island.

That is all right. All I am saying is that we have been trying to get a bill that will work and get passed, and we are not going to get it with this kind of action.

I yield back the remainder of my time.

Mr. WILLIAMS. I yield back the remainder of my time.

The PRESIDING OFFICER. All remaining time having been yielded back——

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. JAVITS. Mr. President, I yield myself 1 minute on the bill out of the time of the Senator from New Jersey (Mr. WILLIAMS), and not out of the time of the Senator from Colorado (Mr. DOMINICK), in order to identify myself with the arguments made by Senator WILLIAMS, which I strongly support.

The minimum wage for domestics has been a long time coming. The exemption in the bill with respect to casual babysitters and companions certainly seems to me to do even more than the limitation which would be imposed by this amendment. To do less than we are doing would not be apposite to the evils we are trying to cure.

I therefore hope very much that the amendment will be rejected.

Mr. TAFT. Mr. President, I have listened to the Senator from Colorado on this subject. It seems to me that he makes a great deal of sense.

I should like to make one point, that the $2.25 figure seems to me to be a reasonable one. I do not intend to belabor the interstate commerce problems here, but if we get down to the $50 figure, we can seriously jeopardize that part of the bill insofar as constitutionality of the interstate commerce clause is involved. The $200 figure would leave it in great jeopardy. I felt that coverage at all is subject to serious question under cases and laws which exist today, but the $200 figure shows an attempt to be reasonable.

It has been said that this bill is, somehow, a compromise bill. It has been amended and changed from the bill which went to the President last year. There have been two very minor changes in it. One is this particular provision and the $50 figure is the other, as I understand it, but I still feel that this is a totally reasonable proposal. The spirit in which it is being turned down is indicative, I think, of the unusual nature we are seeing of bills and amendments being offered to it.

THE YOUTH DIFFERENTIAL

Mr. DOMINICK. Mr. President, the current overall unemployment rate is above 5 percent. For youths 16 to 19 years of age, it is 14 percent. The rate for nonwhite youths in the same age category is much higher—31 percent. These figures, and their social implications, are alarming. But they are in fact understated, because they are based only on youths who are not looking for employment, either because they have tried, and are discouraged, or because they see all their friends out of work and are convinced no jobs are available. Insufficient data exist regarding the number of youths in this nonparticipating category, but there are undoubtedly enough to affect true unemployment rates considerably—particularly in the inner city areas.

These disquieting facts are attributable primarily to two things which occurred during the decade of the 1960's: First, the teenage population as a percentage of the total population increased from 9 to 13 percent. Second, Congress legislated a 60-percent increase in the minimum wage—from $1 to $1.60—an extended coverage to the teenage labor—intensive retail, service, and agriculture industries—the effect of which was to eliminate many marginal jobs held by teenagers. Congress cannot do anything about the first; it can and should do something about the latter.

I do not think it is any longer open to serious question that minimum wage increases operate to reduce job opportunities for teenagers. Teenagers have substantial disadvantages in competing with adults for jobs. They are unskilled and inexperienced; their job search is limited geographically—close to home or school—they need part-time or temporary work compatible with school schedules; they are eligible for the draft; and for a variety of reasons, they have a high turnover rate. Consequently, whenever changed economic conditions—an increase in the minimum wage, for example—exert pressure on employers to reduce labor costs, jobs held by teenagers are among the first to go.

There is general agreement among the experts that minimum wage increases result in decreased job opportunities for low-skilled marginal workers—particularly inexperienced teenagers. The Labor Department's 1973 report to Congress on the Fair Labor Standards Act summarizes three recent studies analyzing the impact of minimum wage increases on youth employment. Each of the studies clearly indicates that youth employment is adversely affected by minimum wage increases.

Studies by Marvin Kosters and Finish Welch for the Rand Corp., Prof. Yale Brozen of the University of Chicago, David Kaun of the University of Pittsburgh, and Prof. John M. Peterson and Charles T. Stewart, Jr., of the American Enterprise Institute, amass convincing evidence that this is true. Professor Brozen's study showed that the ratio of teenage unemployment to overall unemployment increased from 2.5 in 1960

to 3.6 in 1968, during which time the minimum wage was increased from $1 to $1.60, and its coverage broadened considerably. The Kosters-Welch study concludes:

Our evidence indicates that increases in the effective minimum wage over the period 1954–1968 have had a significant impact on employment patterns. Minimum wage legislation has had the effect of decreasing the share of normal employment and increasing vulnerability to cyclical changes in employment for the group most "marginal" to the work force . . . teenagers. Thus as a result of increased minimum wages, teenagers are able to obtain fewer jobs during periods of normal growth and their jobs are less secure in the face of short-term employment changes.

Minimum wage legislation has undoubtedly resulted in higher wages for some of the relatively low productivity workers who were able to attain employment than these workers would have received in its absence. The cost in terms of lost employment opportunities and cyclical vulnerability of jobs, however, has apparently been borne most heavily by teenagers. And a disproportionate share of these unfavorable employment effects appear to have occured to non-white teenagers. The primary beneficiaries of the shifts in the pattern of employment shares occasioned by minimum wage increases were adults, and among adults, particularly white adult males.

Since the population growth of white teenagers is expected to decline to 5 percent over the next decade, their unemployment situation may become easier to deal with. But no relief is in sight for black youths. Their projected population growth for the remainder of this decade is 44 percent. The minimum wage increases proposed in S. 2747 as reported would diminish even further the employment opportunities of black teenagers. A study by Thomas Gale Moore, "The Effect of Minimum Wages on Teenage Unemployment Rates," published in the August 1971 issue of the Journal of Political Economy might be interesting to note here. He developed an econometric model based on available data which suggests that past Secretary of Labor Wirtz' proposal to increase the minimum wage to $1.80 in 1970, and to $2 in 1971 would have increased nonwhite teenage unemployment by 4.6 percent in 1971, 11.3 percent in 1972, 14.5 percent in 1973, and 15.6 percent in 1974.

The predictions of that econometric model based on the increases recommended in the committee bill are even more interesting. Dr. Moore testified before the committee last year that, in the absence of a youth differential provision, S. 1861 the bill passed last summer could cause a 21.9-percent increase in nonwhite youth unemployment rates, and a 7.1 percent increase in white youth unemployment rates by September, 1976.

Economist Milton Friedman describes the minimum wage law as "the most anti-Negro law on our statute books—in its effect, not its intent." Economist Paul A. Samuelson states the problem as succinctly as possible, in the form of a rhetorical question:

What good does it do a black youth to know that an employer must pay him $1.60 per hour if the fact that he must be paid that amount is what keeps him from getting a job?

Congress recognized when it amended the Fair Labor Standards Act in 1966 that something needed to be done to soften the impact of minimum wage increases on teenage unemployment. A system was established under which employers in retail, service and agriculture who obtained certificates from the Labor Department could hire full-time students at 85 percent of the applicable minimum rate for up to 20 hours a week. Due to the narrow scope of that system, and the redtape involved in getting certificates, it has gone unused for the most part. The result, as current statistics demonstrate, is that it has been ineffective in reducing youth unemployment.

Opponents of a youth differential system point to the relatively low utilization rate of hours authorized under the existing certification system, and conclude that teenagers will not accept jobs for less than the minimum wage.

While it is true that only about 42 percent of the total hours authorized under certificates were utilized in 1969, the unwillingness of teenagers to work for subminimum wages was not the primary reason. Employers were surveyed by the Labor Department, and the most frequent reason they gave for underutilization was simply that no jobs were available. Other reasons given were that the work of teenagers is unsatisfactory, and the burdensome recordkeeping requirements and redtape involved in getting certificates. In order to minimize redtape, many employers requested authorization for the maximum hours to which they were entitled, even though they did not have sufficient job openings to utilize them completely.

The bill would essentially do nothing to reduce the high youth unemployment rate, or to lessen the adverse impact of the bill's large increases and extensions of coverage on youth unemployment.

The effect of a youth differential provision would be to preserve job opportunities for students and teenagers which would otherwise be eliminated when existing minimum wage rates are increased. It is not a question of displacing adult workers. It is a question of whether marginal jobs are held by teenagers and students working part-time, or whether such jobs are simply eliminated.

In any event, I think that the need to do something to reduce youth unemployment is so imperative that the youth differential concept should be tested now. Its effect can be assessed when minimum wage legislation is again reviewed.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Colorado (Mr. DOMINICK).

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Florida (Mr. CHILES), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Michigan (Mr. HART), the Senator from Kentucky (Mr. HUDDLESTON), and the Senator from Washington (Mr. MAGNUSON) are necessarily absent.

I further announce that, if present and voting, the Senator from Washington (Mr. MAGNUSON) would vote "nay."

Mr. HUGH SCOTT. I announce that the Senator from Kentucky (Mr. COOK) and the Senator from Michigan (Mr. GRIFFIN) are necessarily absent.

I further announce that the Senator from Connecticut (Mr. WEICKER) is absent due to death in the family.

The result was announced—yeas 36, nays 56, as follows:

[No. 61 Leg.]

YEAS—36

Allen	Eastland	McClure
Baker	Ervin	Nunn
Bartlett	Fannin	Roth
Bayh	Fong	Scott,
Bennett	Goldwater	William L.
Brock	Gurney	Sparkman
Buckley	Hansen	Stennis
Byrd,	Haskell	Taft
Harry F., Jr.	Helms	Talmadge
Cannon	Hollings	Thurmond
Cotton	Hruska	Tower
Curtis	Long	Young
Dominick	McClellan	

NAYS—56

Abourezk	Hatfield	Muskie
Aiken	Hathaway	Nelson
Beall	Hughes	Packwood
Bellmon	Humphrey	Pastore
Bentsen	Inouye	Pearson
Bible	Jackson	Pell
Biden	Javits	Percy
Brooke	Johnston	Proxmire
Burdick	Kennedy	Randolph
Byrd, Robert C.	Mansfield	Ribicoff
Case	Mathias	Schweiker
Church	McGee	Scott, Hugh
Clark	McGovern	Stafford
Cranston	McIntyre	Stevens
Dole	Metcalf	Stevenson
Domenici	Metzenbaum	Symington
Eagleton	Mondale	Tunney
Gravel	Montoya	Williams
Hartke	Moss	

NOT VOTING—8

Chiles	Griffin	Magnuson
Cook	Hart	Weicker
Fulbright	Huddleston	

So Mr. DOMINICK's amendment was rejected.

Mr. JAVITS. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. WILLIAMS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 975

Mr. BUCKLEY. Mr. President, I call up my amendment No. 975.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

The amendment is as follows:

On page 36, beginning on line 9, strike out through line 10 on page 42, and insert in lieu thereof the following:

EXPANDING EMPLOYMENT OPPORTUNITIES FOR YOUTHS

SEC. 24. Section 14(b) of the Fair Labor Standards Act of 1938, as amended, is amended to read as follows:

"(b)(1) Notwithstanding the minimum wage rate required by section 6(a)(1) or 6(b) any employer may, in compliance with applicable child labor laws, employ any employee—

"(A) to whom such rates would apply but for this subsection, and

"(B) who is (i) under the age of eighteen or (ii) eifhteen or ninteen years of age and either in his first six months of full-time employment or a full-time student,

at a wage rate which is not less than 85 per centum of the otherwise applicable minimum wage rate prescribed by such section or $1.60 per hour, whichever is higher.

"(2) Notwithstanding the minimum wage rates required by section 6(a)(5), any employer may, in compliance with applicable child labor laws, employ in agriculture any employee—

"(A) to whom such rates would apply but for this subsection, and

"(B) who is (i) under the age of eighteen or (ii) eighteen or nineteen years of age and either in his first six months of full-time employment or a full-time student,

at a wage rate which is not less than 85 per centum of the otherwise applicable minimum wage rate prescribed by such section or $1.30 per hour, whichever is higher.

"(3) The special minimum wage for such employees in Puerto Rico, the Virgin Islands, and American Samoa shall be 85 per centum of the industry wage order rate otherwise applicable to them, except that in no case shall special minimum wage be less than that provided for under a wage order issued prior to the effective date of the Fair Labor Standards Amendments of 1974.

"(4) The Secretary shall by regulation prescribe standards and requirements to insure that this subsection will not create a substantial probability of reducing the full-time employment opportunities of persons other than those to whom the minimum wage rate authorized by this subsection is applicable.".

Mr. BUCKLEY. Mr. President, quite simply, my amendment is a youth differential amendment with which I am sure my colleagues are familiar. It was the absence of such a provision, among other things, which has caused a Presidential veto of this legislation twice before.

My amendment is a youth differential amendment which would permit the employment of teenagers at 85 percent of prevailing minimum wage rates, but not less than $1.60 an hour. Eighteen- and nineteen-years-olds could be employed at this differential for a period of only 6 months.

Last July, with a teenage unemployment rate of 14.5 percent, the Senate voted to deny teenagers jobs. Of course those of my colleagues who voted in favor of the Williams-Javits minimum wage bill did not deliberately contrive to promote teenage unemployment, however, had that bill not been vetoed by President Nixon, its implementation would have resulted in a rise in teenage unemployment just the same.

That is why, today with a January unemployment rate of 15.6 percent for teenagers, I am once again seeking the adoption of a youth differential amendment to the present minimum wage bill.

A 15-percent unemployment rate for American youth is a very serious reality and if the youth happens to be nonwhite, 30 percent gives an even more accurate view of the unemployment situation.

The youth unemployment situation is even more serious than these rates indicate. There is no doubt that these figures, bad as they are, understate the actual unemployment rates. Government unemployment statistics include only those who are actively looking for jobs. There are, however, a large number of teenagers who are so discouraged that they do not even bother to look for employment. One study estimates that, in addition to those listed as officially unemployed, at least another 20 percent of the minority teenagers in large urban areas desire work but are not actively seeking employment.

The need of teenagers for new employment opportunities is greater than ever, and it is now obvious that the Congress cannot sit back and hope that time and job training programs will solve the problem.

To me, Government-financed job creation programs are totally unacceptable and unable to cope with today's problem of teenage unemployment. First, Congress has an obligation to the American taxpayer not to spend vast sums of money for something that can be accomplished without such an expenditure. Second, we are not talking about a few thousand jobless people, but almost 1.5 million. The existing programs can provide no real solution for this many people, and I am strongly against creating a massive bureaucracy that would be necessary to deal with all the jobless teenagers. The track records of these programs themselves are the most damaging attack on the Government's training and job creation programs. That is, although the appropriations for these programs have gone from almost nothing in 1960 to $370,600,950 in 1965 to $974,513,596 in 1972, there has been no stemming of the increase in the teenage unemployment rates. The popular press has clearly documented the failure of such programs to move the participants into private, steady employment. Training programs have been notorious for training people for nonexistent jobs, or not training them at all. I cannot stress too many times that there is no substitute for real private-sector jobs. Such Government job training programs serve only as stopgap measures and fail to meet the underlying needs of young Americans seeking entry into the labor market.

I submit, Mr. President, that the youth differential provided for in my amendment is by far the most effective means of bringing our youths into a full productive participation in American life.

The current minimum wage of $1.60 an hour, and even the proposed ones of $2 and $2.20 an hour provide a very low income for a family of four. But instead of being an argument against low minimum wages and youth differentials, this is the strongest argument for them. The financial needs of a person who is married and supporting a family necessitate that he know how to keep a steady job and maintain a minimum level of productivity. But at what stage in life is a person supposed to attain this level of skill? Ideally, when his financial burdens are light—when he is still going to school, living with his family, or supporting only himself; that is, when he is a teenager.

The vast majority of those 16- to 19-year-olds are single, and many are still living with their families. For such a person, $1.60 an hour provides a yearly income of $3,200. This is considerably more than the Government-defined poverty level of $2,168 for a single person under 65 living in a city, and $1,976 for one living in the country. The teenager who earns approximately $1.60 is not living in abject poverty, and is not condemned to a low salary for the rest of his life. Instead, he is equipping himself to be able to earn a much larger income when he will need it. So precisely because a person trying to support a family of four on $1.60 or even $2 or $2.20 an hour has a very difficult time, no barriers should be placed before any young person trying to find his first job, which will give him the experience that will enable him to command a much higher wage later in life.

The serious lack of employment opportunities for our Nation's young people mandates that Congress take no action that might worsen this situation. And yet it has been proven that increases in the minimum wage cause increases in teenage unemployment. Perhaps no other economic fact of life has been so widely agreed upon by employers and economists alike, or so well documented. The congruent paths of minimum wage have been carefully charted and recharted by economists who have studied the evidence accumulated over 30 years of the rigid application of the minimum wage laws. Recently, Douglas K. Adie completed a study of the effects of minimum wage on teenage unemployment and concluded flatly: First, increases in the Federal minimum wage cause unemployment among teenagers; second, the effects tend to persist for considerable periods of time; and third, the effects seem to be increasing through time. This is verified by the steady 25-year increase in the teenage unemployment levels, matched with a steady increasing of the minimum wage.

What are the forces that make the minimum wage cause unemployment? The answer to this is simple, employers pay workers according to how productive they are. Most American workers are highly productive, and therefore earn considerably more than the minimum wage. But too many young men and women entering the job market for the first time, especially those from disadvantaged homes, lack the elementary job skills and work habits that enable them to hold a job and contribute to a worker's productivity. Some of these habits many of us take for granted such as getting to work on time, learning to give and take instructions, cooperating with coworkers, et cetera. Such habits can best be acquired through on-the-job experience.

Since many teenagers lack these habits and are not particularly skilled, they are only marginally productive. Therefore, they are the first to go when employers are forced to pay them more than their productivity will justify.

The social costs are enormous. Those teenagers not yet in the work force are kept out, and denied the opportunity to develop the skills and work habits so essential to their future success. Yale Brozen stated:

> The overall general effect (of minimum wage laws) in big cities is a bigger police problem, more juvenile delinquency, a problem of frustrated kids who are unable to obtain the initial training and skills they need so that they can move on to higher-rate jobs.

These teenagers become alienated and frustrated and blame the establishment for their troubles. Frankly, I would find it incredible that the Congress has continued its blind disregard of this documented connection between the minimum wage and youth unemployment; and I for one find it hard to defend the establishment because of its inflexible attitudes toward the minimum wage laws.

The unemployment situation is especially bad for minority group tenagers. They are the hardest hit by well-inten-

tioned minimum wage increases because of their more disadvantaged backgrounds. By virtue of their admitted disadvantages minority teenagers are less apt to have the job skills and work habits that contribute to productivity. The teenage unemployment figures reflect this disparity in the growing gap between white and nonwhite unemployment rates.

How is it that the youth differential wage can generate so much opposition? What other legislation that is so certain to create employment for our Nation's teenagers can engender such animosity? What other legislation that promises to reverse the increase in the unemployment rates of our minority teenagers—at a time when that rate is nearly 30 percent—could arouse such opposition in this age of concern for the Nation's disadvantaged? This opposition is totally beyond me.

The arguments against a youth differential are very insubstantial, especially when weighed against the much-needed benefits that my amendment would bring. But somehow, people have found them convincing, so I will deal with them here.

In past floor debate over another youth differential amendment, the distinguished chairman of the Labor Committee said:

> That young person in the job market who is not a student and is doing the work of a man should be paid the wages of a man. It is a simple as that.

This statement highlights the two major weaknesses in anti-youth differential thinking. The first fallacy is thinking that teenagers have a choice of working for higher or lower wages, and the youth differential would force them to work for lower wages. One has only to look at the teenage unemployment figures—13.7 percent for white teens, 29.1 percent for non-white teens—to see that that is not the choice confronting nearly 1.5 million American teens. Why cannot we understand this idea? Unless we institute a youth differential these teenagers will not have a choice. With a differential they will at least have the ability to choose for themselves whether they want to work at a lower wage—as provided in my amendment—or remain unemployed. Either way, they cannot be worse off than they are now. An important economic study showed that 47 percent of the unemployed teenagers between 16 and 17 were willing to work for less than $1.60 and 96 percent were willing to work for less than $2 an hour. This means that economists Sam Levitan and Robert Taggart found that teenagers themselves have decided they would be better off with a youth differential wage than unemployed. I feel we have no right to ignore their wishes.

The second fallacy in the statement of the Senator from New Jersey was to assume that teenagers can do a man's work. This is the point that we have been stressing over and over again. Teenagers do not have the work skills of an adult, and if they are not able to find employment, they may never get them. No law forces employers to pay seasoned workers as much as they do. They are paid more because they are worth more. When those who are now teenagers reach the same skill level, they too will be better paid. But do not deny them the opportunity to develop those skills because of some misdirected humanitarian impulse.

In past debate on a similar amendment, we are now discussing, my colleague from New York raised a point which is also frequently used against youth differentials.

My distinguished senior colleague expressed the fear that adults would be thrown out of work by teenagers, if teens could be paid a lower wage. Of course, no one can guarantee that not a single adult worker would be displaced. But the misleading implication of the statement, "the father would be fired to hire the son" is that no new jobs would be created as a result of a youth differential. This is, of course, totally false, for it denies the dynamic nature of our economy. How many teenage jobs would my colleague from New York be willing to sacrifice for a single adult job—100, 1,000? I doubt that anyone could answer that, but it does put the trade-off we might be facing in its proper light. The only place we can look to predict a youth-adult job trade-off is the change in adult employment when youth employment dropped after increases in the minimum wage. If adult employment went up this could show adults filling jobs left by teens. From this the reverse might be predicted—increasing youth employment could lower adult employment. But this phenomenon is not found in the data. After the 33 percent increase in the minimum wage in 1956, when youth employment went from 11.1 percent to 15.9 percent, the general employment rate went up 2.7 points. The same results are found in looking at other times of minimum wage and teen unemployment increases. There is no pattern of overall employment staying the same or increasing, which would have meant a substantial adult-youth job trade-off. This result should not be surprising. Teenagers usually look for part-time, summer or very low-skill work, which while low in pay nevertheless provides important on-the-job experience. These low paying jobs tend to disappear when minimum wage levels are raised—thus only a youth differential will save many of them as training grounds for the young. They are almost never competing for the permanent, high-skill jobs that adults have. Close examination of this idea prohibits me from seeing it as a real argument against a youth differential wage.

So, what arguments remain for opposing a youth differential minimum wage? Nothing. And there are so many that ought to compel its adoption. Perhaps sitting here in this chamber, it is difficult to realize what unemployment means to the individual teenagers who make up the statistics I have cited. But although we are far removed from their situation, the hurt, the frustration, and the anger is very real. We would be nothing less than irresponsible if we turned our backs on this opportunity to help them.

I feel that the song "Masterpiece" by the musical group "The Temptations" captures something of what life must be for an unemployed teenager in one of our big cities:

> Where I was born everything was dull and dingy,
> I lived in a place called the inner city,
> Getting ahead was strictly a no-no.
> For no one cares about folks who live in the ghetto.
>
> Thousands of lives wasting away—
> People living from day to day.
> It was a challenge just staying alive
> For in the ghetto, only the strong survive.
>
> Broken down homes, kids strung out,
> They don't even know what life's about . . .
>
> Muggings, drugs, rat-infested
> And no one's interested.
>
> It's an everyday thing in the ghetto.
> It's an everyday thing in the ghetto.

Mr. President, in the legislation now before us we have the choice of condemning millions of American teenagers to the type of existence described in that song, or of giving them the opportunity to make for themselves the type of life I know all of us want for America's young people.

The step that Congress can take to ease the unemployment problem for youth, and especially minority youth, is clear—enact a youth differential.

Do not price teenagers out of the labor market. Give them the opportunity to work when they are young, learn how to earn decent wages when they are older, free from government handouts. Allow them to know that they can be successful, self-sufficient individuals.

As if to underscore its inability to meet the teenage unemployment problem head-on, last July, less than a week after its vote on the minimum wage, the Senate considered and passed, two emergency employment programs.

Mr. President, I ask unanimous consent that an article by Prof. Yale Brozen, entitled, "The effect of statutory minimum wage increases on teenage employment," which appeared in the April 1969 issue of the Journal of Law and Economics, be printed in the RECORD.

The PRESIDING OFFICER (Mr. BARTLETT). Is there objection?

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

THE EFFECT OF STATUTORY MINIMUM WAGE INCREASES ON TEENAGE EMPLOYMENT*

(By Yale Brozen)

The effect of increases in statutory minimum wage rates on employment appears to be an unsettled question. Economic theory tells us that there are two possibilities. If labor markets for skills affected by minimum wage changes are competitive, the number of jobs decreases with an effective rise in the minimum which is not nullified by inflation. If, on the other hand, the labor markets for the affected categories are monopsonistic, no unemployment necessarily occurs. Employment may increase, provided that the rise in the minimum is not too drastic.[1]

Economic theory, therefore, gives no answer to the question of the employment effect of a minimum wage rise. However, we now have some experience with increases in statutory minima at the national level as well as changes in minima in a large number of states. Minimum rates were set by the Fair Labor Standards Act of 1938 at $0.25 an hour with provisions for further increases to $0.40 an hour. The Act was subsequently amended to raise rates to $0.75 in 1950, to $1.00 in 1956, to $1.15 in 1961 and to $1.25 in 1963 (with lower minima in newly covered occupations to reach $1.25 in 1965). The most

recent amendment to the act raised minima to $1.40 in February, 1967, with a further increase to $1.60 in February, 1968 (with lower minima in newly covered occupations scheduled to reach $1.60 in 1971 except for agriculture where the minimum is scheduled to reach $1.30).

This experience should make it possible to offer some appraisal of the employment impact of this legislation. The appraisal is not easy. Many forces have been at work influencing wage rates and job opportunities at the same time that changes in national minima have occurred. Real wage rates have consistently increased in the American economy for at least a century, judging by the available data.[2] They have continued to rise since the passage of the 1938 Act and its successive amendments as well as before 1938. Money wage rates have increased even more than real rates.

Given this circumstance, increases in national statutory minima, to the extent they had any effect, may simply have hastened increases in some wage rates which would have occurred shortly anyway. In that case, the employment effects may be transitory. Increases in employment or in unemployment, depending on whether markets are monopsonistic or competitive, would result for short periods and fade away with the normal progression of economic development.

Aggregate employment effects may also be transitory or fail to occur even if the labor market is competitive because the coverage of the minimum wage law is not universal. Persons losing jobs or unable to find jobs in covered employment, if minimum wage rates reduce the number of jobs available in covered occupations, can turn to the non-covered occupations where wage rates are free to adjust the rate of demand to the supply of people seeking jobs. There is some evidence of this occurring.[3]

TIMING OF WAGE INCREASES

Examining patterns of change in average wage rates in industries where minimum wage rate changes have had an effect, we find that the timing of wage rate increases has been influenced by the Fair Labor Standards Act. Average hourly earnings in the seamless hosiery industry in 1949, for example, were only 10 cents an hour above the $0.75 minimum established in January, 1950. Given the usual dispersion in wage rates, a fairly large proportion of seamless hosiery workers were earning less than 75 cents an hour in 1949. A rise in wage rates was forced for those workers in the industry whose rate was more than 10 cents below the average. As a consequence, an 11 per cent jump in the average occurred between 1949 and 1950. In contrast, average hourly earnings in all manufacturing rose less than half as much (by 5.1 per cent).

In the following three years, average hourly earnings in seamless hosiery continued to rise, but at a much slower pace. They rose at a 4.1 per cent annual rate between 1950 and 1953 for a total rise of 12.8 per cent. In contrast, average hourly earnings in all manufacturing rose at a 6.5 per cent annual rate from 1950 to 1953 for a total rise of 20.8 per cent. Thus by 1953, average hourly earnings in seamless hosiery apparently were about the same as they would have been without any rise in the statutory minimum.

The same pattern occurred in other manufacturing industries affected by the 1950 minimum. Wage rates in the industries with low average hourly earnings (not more than 25 cents above the new minimum) increased more than the average for all manufacturing when the new minimum went into effect (Table 1). In the following years hourly earnings went up much less in these industries than elsewhere. By 1952, their average wage rates had again come into approximately the same relative position they occupied in 1949 before the minimum was increased.

Footnotes at end of article.

TABLE 1.—CHANGE IN HOURLY EARNINGS

A. 1949–52

S.I.C. number and industry [1]	Hourly earnings, 1949 [2]	Percentage change 1949–50 [3]	1950–52 [4]	Sum
2252—Seamless hosiery	$0.854	11.1	9.6	20.7
212—Cigars	.885	10.3	9.6	19.9
232—Men's and boys' furnishings	.919	8.8	8.0	16.8
2341—Women's and children's underwear	$0.980	7.2	8.5	15.7
Average increase		9.4	8.9	18.3
All manufacturing	1.379	5.1	13.9	19.0

B. 1955–60

S.I.C. No. and industry [1]	Hourly earnings 1955 [5]	Percentage change 1955–56 [6]	1956–60 [7]	Sum
2252—Seamless hosiery	$1.13	10.6	12.8	23.4
232—Men's and boys' furnishings	1.13	11.5	5.8	17.3
212—Cigars	1.19	8.4	11.6	20.0
2341—Women's and children's underwear	1.20	10.0	5.7	15.7
2391,2—Housefurnishings	1.25	7.2	8.2	15.4
2254—Knit underwear	$1.25	7.2	9.0	16.2
Average increase		9.2	9.8	18.1
All manufacturing	1.87	5.4	14.7	20.1

[1] Industries were selected whose average hourly earnings were within 25 cents of the new minimum.
[2] February 1949–January 1950 average monthly hourly earnings.
[3] Change from February 1949–January 1950 average to February 1950–January 1951 average.
[4] Change from February 1950–January 1951 average to 1952 average.
[5] March 1955–February 1956 average of monthly hourly earnings.
[6] Change from March 1955–February 1956 average to March 1956–February 1957 average.
[7] Change from March 1956–February 1957 average to 1960 average of monthly earnings.

Source: U.S. Bureau of Labor Statistics, Department of Labor Bulletin No. 1312–1, Employment and Earnings Statistics for the United States, 1909–60, at 317, 305, 334, 345, 353, 320 (1961).

The timing of wage rate increases when the minimum was raised to $1.00 an hour in March 1956 shows the same pattern (Table 1). Average hourly earnings jumped more in the low wage industries and in the following years rose more slowly, than the average in all manufacturing. Again, average wage rates a few years later were approximately where they would have been if no increase in the minimum had occurred.[4]

The more recent minimum wage increases have followed each other more quickly than the 1950, 1956, and 1961 increases. Consequently, the 1961 increase to $1.15 was not fully digested when the $1.25 minimum went into effect in 1963 and the 1963 increase was not fuly digested before the 1967 increase became effective (Table 2).

Footnotes at end of article.

TABLE 2.—CHANGE IN HOURLY EARNINGS

A. 1961–63

S.I.C. No. and industry	Hourly earnings 1961 [1]	Percentage change 1961–62 [2]	1962–63 [3]	Sum
2238—Work clothing	$1.27	8.0	1.2	9.3
2252—All other hosiery	1.30	7.2	2.2	9.3
232—Men's and boy's furnishings	1.34	5.6	1.1	6.7
2015—Poultry dressing and packing	1.38	3.6	.7	4.3
2341—Women's and children's underwear	$1.40	4.1	—2.0	2.1
Average increase		5.7	.6	6.3
All manufacturing	2.29	3.4	2.5	5.9

TABLE 2.—CHANGE IN HOURLY EARNINGS—Continued

B. 1963–66

S.I.C. No. and industry	Hourly earnings 1963 [4]	Percentage change 1963–64 [5]	1964–66 [6]	Sum
2328—Work clothing	$1.39	6.1	4.7	10.8
2321—Men's and boy's shorts and nightwear	1.41	6.1	5.3	11.4
2252—All other hosiery	1.42	5.4	8.0	13.4
2341—Women's and children's underwear	1.43	7.8	6.5	14.3
2015—Poultry dressing and packing	$1.44	6.3	9.1	15.4
2327—Men's and boy's separate trousers	1.44	4.7	5.3	10.0
Average increase		6.1	6.5	12.6
All manufacturing	2.43	3.2	8.0	11.2

[1] September 1960–August 1961 average of monthly average hourly earnings.
[2] Change from September 1960–August 1961 average to September 1961–August 1962 average.
[3] Change from September 1961–August 1962 average to September 1962–August 1963 average.
[4] September 1962–August 1963 average of monthly average hourly earnings.
[5] Change from September 1962–August 1963 average to September 1963–August 1964 average.
[6] Change from September 1963–August 1964 average to 1966 average.
Source: U.S. Bureau of Labor Statistics, Department of Labor, Bulletin No. 1312-5, Employment and Earnings Statistics for the United States, 1909–67.

With the 1950 and 1956 increases, we must look at the short interval following their imposition to see their effect since the impact on the wage structure apparently faded within a few years. Inflation and rising productivity lifted wage rates to where they would have been in any case without increases in the statutory minimum. This is less true in the 1960's when step-ups in the minimum followed each other more quickly.

However, because of the variations in the timing of cyclical forces in the 1960's as compared to the 1950's, and the necessity of disentangling those effects, it is no easier to analyze the 1960's despite the lack of full digestion of the increases which occurred in the latter period. Changes in state minimum wage laws also confuse the picture.

An employment effect does stand out as an apparent consequence of the bunching of national minimum wage increases in the 1960's and the widened coverage of the Act, in this period, leaving fewer alternative occupations for those unable to obtain jobs in covered employment. The relative incidence of non-white teen-age unemployment rose to an unprecedented level in 1966 (Table 5).

EMPLOYMENT EFFECTS (TEEN-AGERS)

Since the overwhelming majority have always had pay rates exceeding the minimum, most pay rates and most workers have not been affected by changes in the statutory minima. The effects have appeared primarily in the pay rates and, consequently, the employment of low skill workers. Also, effects on workers in disadvantaged areas of the country suffering from remoteness from markets and sources of materials and ancillary services have occurred.[5]

The largest single category of predominantly unskilled workers for which employment data is available consists of teen-agers. An examination of unemployment rates among this group in the month before an increase in the statutory minimum and in the month the increase took effect (for a majority of the month) indicates that the market for teen-agers' services is competitive. That is, each time an increase occurred, teen-age unemployment rose (Table 3).[6]

TABLE 3.—SEASONALLY ADJUSTED UNEMPLOYMENT RATES, 16–19 YEAR OLDS

	Teenage unemployment rate		Minimum wage	
	Percent	Raw datum	Covered	Not covered
January 1950	15.2	[1] (17.7)	$0.40	
February 1950	[2] 15.2	(17.3)	.75	
February 1956	11.4	(12.6)	.75	
March 1956	11.5	(11.4)	1.00	
August 1961	17.1	(13.8)	1.00	
September 1961	18.0	(15.8)	[3] 1.15	($1.00)
August 1963	16.1	(12.6)	1.15	(1.00)
September 1963	17.4	(15.2)	1.25	(1.15)
August 1964	16.7	(12.9)		($1.00)
September 1964	15.7	(13.7)		(1.15)
August 1965	13.9	(10.6)		(1.15)
September 1965	14.8	(12.8)		(1.25)
January 1967	11.1	(11.7)	$1.25	
February 1967	12.6	(13.2)	1.40	(1.40)
January 1968	11.3	(11.8)	1.40	(1.00)
February 1968	12.6	(13.3)	1.60	(1.15)

[1] Unemployment rate figure in parentheses is the raw datum not adjusted for seasonal influences. U.S. Bureau of Labor Statistics, Department of Labor, Employment and Earnings and Monthly Report on the Labor Force 13, at 10 (March 1967).
[2] Although the seasonally adjusted unemployment rate shows no rise from January to February 1950 an adjustment of the raw unemployment rate by the seasonal factors used since 1964 would have shown a rise in the seasonally adjusted rate to a figure in excess of 17.4 percent. The February 1966 raw unemployment rate of 11.7 percent, for example, becomes a seasonally adjusted figure of 12.1 percent according to U.S. Bureau of Labor Statistics, Department of Labor Employment and Earnings and Monthly Report on the Labor Force 13 at 21 (March 1967) or 12.3 percent according to U.S. Bureau of Labor Statistics, Department of Labor, Employment and Earnings and Monthly Report on the Labor Force 14, at 25 (March 1968).
[3] Minimum wage figures in parentheses for 1961–65 are for jobs not covered prior to September 1961. Minimum wage figures in parentheses for February 1967 and for 1968 are for jobs not covered prior to February 1967.
Source: U.S. Bureau of Labor Statistics Department of Labor, Employment and Earnings and Monthly Report on the Labor Force 14, at 25, 63 (March 1968); A. Howard Myers, Labor Law and Legislation 774, 805.

If the unemployment rate among teen-agers always went up from month to month, this tabulation would prove nothing. However, it does not. In the twenty years covered by this available data, the month to month change was downward more than half of the time (123 downward changes, 111 upward changes, six no change).[7] The upward change in the months in which minima were raised occurs too often to be accounted for by the most improbable chance of accident or coincidence.

In addition to these immediate increases in unemployment among teen-agers in the month when new minima became effective, we also find a long term upward trend in the relative amount of unemployment among teenagers. This occurred despite a rising average level of education in this group and a declining participation rate. In order to eliminate cyclical effects on teen-age unemployment, we can look at periods of comparable cyclical positions such as 1948 and 1967 when this general unemployment rate was the same. In 1967, the teen-age unemployment rate was 40 per cent greater than in 1948 (and the participation rate was lower).

If we remove cyclical effects on teen-age unemployment by using the ratio of teenage to general unemployment, the 75c minimum imposed January 25, 1960, apparently caused a rise in the relative amount of teenage unemployment. The ratio rose from 2.2 in the year preceding the increase to 2.3 in the year following (Table 4). The effect was slight, in the year immediately following the increase, apparently being blunted by draft calls with the outbreak of the Korean war,[8] a decline in the teen-age participation rate,[9] and the narrowing of the coverage of the minimum wage provisions of the Fair Labor Standards Act. The effect of the March, 1956, increase appeared to be equally slight on aggregate employment although its influence was strong in forcing a shift to lower wage, non-covered employment.[10]

Footnotes at end of article.

TABLE 4.—RATIO OF TEENAGE UNEMPLOYMENT INCIDENCE TO GENERAL UNEMPLOYMENT INCIDENCE, 1949–68

[Averages of monthly seasonally adjusted data]

12 months	Unemployment rates (percent)			Minimum wage	
	Ages 16–19	General	Ratio	Covered	Not covered
February 1949 to January 1950	13.9	6.2	2.2	$0.40	
February 1950 to January 1951	11.6	5.0	2.3	.75	
March 1955 to February 1956	11.0	4.2	2.6	.75	
March 1956 to February 1957	11.0	4.1	2.7	1.00	
September 1960 to August 1961	16.4	6.6	2.5	1.00	
September 1961 to August 1962	15.4	5.8	2.7	1.15	[1] ($1.00)
September 1962 to August 1963	16.4	5.6	2.9	1.15	(1.00)
September 1963 to August 1964	16.6	5.4	3.1	$1.25	($1.00)
September 1964 to August 1965	15.6	4.8	3.3		(1.15)
September 1965 to August 1966	13.2	3.8	3.5		(1.25)
February 1966 to January 1967	12.6	3.8	3.3	1.25	
February 1967 to January 1968 [2]	12.9	3.8	3.4	1.40	(1.00)
February 1968 to December 1968	12.7	3.6	3.6	1.60	(1.15)

[1] Minimum wage figure in parentheses is for jobs not covered prior to September 1961 and February 1967.
[2] Not comparable with earlier data because of the exclusion from the unemployment count of those seeking future jobs and not currently available for work.
Source: U.S. Bureau of Labor Statistics, Department of Labor, Employment and Earnings and Monthly Report on the Labor Force 14, at 25 (March 1968); id., 13, at 21 (March 1967); id., 15 at 53 (January 1969); A. Howard Myers, Labor Law and Legislation 774, 805.

Large effects on teen-age employment appeared in the 1960's when the minimum went from $1.00 to $1.25 and the coverage of the Act was broadened. Unemployment among teen-agers was 2.5 times the rate of unemployment in the total work-seeking population before the $1.15 minimum went into effect in previously covered occupations and the $1.00 minimum in newly covered occupations in September, 1961. In 1961–62, the year following the increase, the teen-age unemployment rate jumped to 2.7 times the general incidence of unemployment. The teen-age unemployment rate rose farther to 3.1 times the general incidence of unemployment in 1963–64 after the $1.25 minimum went into effect in previously covered occupations. This was a jump to an unprecedented level for the period covered by the data (Table 4).

Over the last eighteen years, the relative level of teen-age unemployment has increased, despite a marked decline in the participation rate,[11] and despite the usual decline in the years following the unemployment jump occasioned by an increase in the statutory minimum wage. Increases in the minimum are following too closely on the heels of previous increases with the result that one increase is not fully digested before another is enacted. Consequently, since the enactment in 1949 of the $0.75 minimum, the incidence of teen-age unemployment has increased more than 50 percent (in relation to the general incidence of unemployment). Evidently, the market for teen-agers is competitive or the rise in the minimum has been too drastic.

Footnotes at end of article.

IMPACT ON NON-WHITE TEEN-AGE EMPLOYMENT

The minimum wage has affected employment opportunities more for non-white teen-agers than for teen-agers in general. While the ratio of the incidence of general teen-age unemployment to general unemployment rose by 55 per cent from 1949 to 1967, that for non-white teen-age unemployment rose by 145 per cent (Table 5).

TABLE 5.—RATIO OF NONWHITE TEENAGE UNEMPLOYMENT INCIDENCE TO GENERAL UNEMPLOYMENT INCIDENCE, 1949–68

[Averages of monthly seasonally adjusted data]

12 months	Nonwhite unemployment (ages 16 to 19)	Unemployment (general)	Ratio	Minimum wage: Covered	Minimum wage: Not covered
February 1949 to January 1950	17.4	6.2	2.8	$0.40	
February 1950 to January 1951	14.8	5.0	3.0	.75	
March 1955 to February 1956	15.8	4.2	3.8	.75	
March 1956 to February 1957	18.1	4.1	4.5	1.00	
September 1960 to August 1962	27.4	6.6	4.2	1.00	
September 1961 to August 1962	25.3	5.8	4.4	1.15	[1]($1.00)
September 1962 to August 1963	29.2	5.6	5.2	1.15	(1.00)
September 1963 to August 1964	28.4	5.4	5.3	$1.25	($1.00)
September 1964 to August 1965	26.1	4.8	5.4		(1.15)
September 1965 to August 1966	26.5	3.8	7.0		(1.25)
February 1966 to January 1967	25.1	3.8	6.6	1.25	
February 1967 to January 1968[2]	26.3	3.8	6.9	1.40	(1.00)
February 1968 to December 1968	25.4	3.6	7.1	1.60	(1.15)

[1] Minimum wage figure in parentheses is for jobs not covered prior to September 1961 and February 1967.

[2] Not comparable with earlier data because of the exclusion from the unemployment count of those seeking future jobs and not currently available for work.

Source: U.S. Bureau of Labor Statistics, Department of Labor, Employment and Earnings and Monthly Report on the Labor Force 14, at 23 (March 1968); id., 13, at 21 (March 1967); id., 15, at 51 (January 1969); A. Howard Myers, Labor Law and Legislation 774, 805.

Non-whites are an increasing proportion of unemployed teen-agers. The ratio of the non-white teen-age unemployment rate to the white teen-age unemployment rate has increased by seventy-five per cent since 1949, rising from 1.3 to 2.3 (Table 6).

TABLE 6.—TEENAGE UNEMPLOYMENT RATIOS: NONWHITE, WHITE, BOTH SEXES, 16 TO 19—1949–68

	Unemployment rate (percent): Nonwhite	Unemployment rate (percent): White	Ratio
February 1949–January 1950	17.4	13.4	1.3
February 1950–January 1951	14.8	11.2	1.3
March 1955–February 1956	15.8	10.2	1.5
March 1956–February 1957	18.1	10.0	1.8
September 1960–August 1961	27.4	15.0	1.8
September 1961–August 1962	25.3	13.9	1.8
September 1962–August 1963	29.2	14.9	2.0
September 1963–August 1964	28.4	15.0	1.9
September 1964–August 1965	26.1	14.2	1.8
September 1965–August 1966	26.5	11.6	2.3
February 1966–January 1967	25.1	11.1	2.3
February 1967–January 1968[1]	26.3	11.0	2.4
February 1968—December 1968	25.4	11.0	2.3

[1] Not comparable with earlier data because of the exclusion from the unemployment count of those seeking future jobs and not currently available for work.

Source: U.S. Bureau of Labor Statistics, Department of Labor Employment and Earnings and Monthly Report on the Labor Force 13, at 14–16 (March 1967); id., 15, at 51 (January 1969) Manpower Report of the President 225, 237 (April 1968).

Despite relatively larger hidden unemployment prevalent in the non-white population, reported unemployment rates for non-white teen-agers moved to levels 80 per cent higher than white rates after the 1956 minimum of $1.00 was established. Following the application of the 1961 amendments to the Fair Labor Standards Act, reported non-white unemployment rates went to levels 130 per cent higher (1966). The 1967 increase pushed reported non-white rates to a level 140 per cent higher than white rates. Before 1956, reported non-white and white unemployment rates differed much less than they have since. For male teen-agers, they never differed by more than 20 per cent (Table 7). They now differ by more than 120 per cent.

TABLE 7.—REPORTED AND PARTICIPATION ADJUSTED INCIDENCE OF NONWHITE AND WHITE TEENAGE (16 TO 19) MALE UNEMPLOYMENT, 1948–67

Year	Nonwhite (percent): Reported incidence	Nonwhite (percent): Participation rate	Nonwhite (percent): Adjusted incidence	White (percent): Reported incidence	White (percent): Participation rate	White (percent): Adjusted incidence	Ratio: Unadjusted	Ratio: Adjusted
1948	10.0			9.7			1.0	
1949	16.5	70.6		13.8	62.5		1.2	
1950	15.4	67.8	19.6	12.4	63.1	11.5	1.2	1.7
1951	9.2			8.0			1.1	
1952	9.1			8.9			1.0	
1953	8.2			8.0			1.0	
1954	14.2			13.5			1.1	
1955	13.7	62.0		11.2	59.9		1.2	
1956	15.3	63.0	13.9	10.4	61.6	7.5	1.5	1.9
1957	18.4			11.5			1.6	
1958	26.9			15.7			1.7	
1959	25.2			14.0			1.8	
1960	24.1			14.0			1.7	
1961	26.7	56.5		15.7	55.2		1.7	
1962	21.8	54.5	26.4	13.7	54.6	14.7	1.6	1.9
1963	27.2	53.1		15.9	55.1		1.7	
1964	24.3	52.2	25.6	14.7	55.0	14.8	1.7	1.7
1965	23.2	53.0		12.9	55.2		1.8	
1966	21.4	52.4	22.2	10.5	56.2	8.8	2.0	2.5
1967	24.0	52.0	24.6	11.0	57.0	9.7	2.2	2.5

Source: Manpower Report of the President 225, 237 (April 1968).

Of all groups, the non-white teen-ager has suffered most from the minimum wage in terms of employment experience. While the employment of white 14–19 year olds rose by 49 per cent between 1956 and 1966, non-white employment in this age group increased by only 19 per cent. The explanation is a complex one in which employment discrimination plays only a minor role.[12]

First, we must recognize that the employment qualifications of the average non-white teen-ager are inferior to those of the *average* white teen-ager seeking a job. His erducational level is lower and he is a more costly worker to employ in terms of the supervision required. At the same wage, an employer will prefer the average white teen-ager to the average non-white teen-ager. Without a minimum wage floor, the non-white teen-ager could offset his disadvantages by working for less than the white teen-ager.

We are still left with a puzzle. White teenage unemployment fell from 1955 to 1956 when the minimum was raised to $1.00 while non-white teen-age unemployment rose. Why did we not get a rise in unemployment in both groups?

To explain this we must apply the economics of information to the field of jobsearch. What probably happened was this. Jobs at, let us say, $0.80 to $0.90 were being refused in 1955 by many white teen-agers who expected they could find better paying jobs. Because they were taking the time to search for these better paying jobs and foregoing poorer paying jobs, their unemployment rate averaged 10.2 per cent. The jobs refused by white teen-agers were accepted by non-white teen-agers.

With the rise in the minimum wage to $1.00 on March 1, 1965, employers who had been offering, let us say, $0.80 had to offer $1.00 to workers filling these jobs if they did not eliminate them. At $0.80, only non-white teen-agers, let us say, had been willing to accept these jobs, white teen-agers choosing to search further. At $1.00, white teen-agers found these jobs attractive as those they expected to find by searching further. Their decrease in time spent searching meant a decline in their average duration of unemployment and a decline in their unemployment rate. The unemployment rate among non-white teen-agers went up probably because many of the jobs formerly left to them by white teen-agers were now filled as well as jobs which they might have found being destroyed by the wage increase.

Another factor in a role in the differential experience of white and non-white teenagers in August-September, 1965 (when nonwhite seasonally adjusted teen-age unemployment jumped from 21.9 per cent in August to 28.3 per cent in September while white teen-age unemployment dropped from 13.0 per cent to 12.8 per cent). The change in coverage occurring as a result of the 1961 Fair Labor Standards Act Amendment was probably the major cause of this differential experience. Prior to 1961, black teen-agers unable to find jobs in covered occupations had increasingly occupied non-covered jobs. When many of their jobs were newly covered by the 1961 amendments at $1.00 an hour (a $1.15 minimum being applied to previously covered jobs), the relatively low minimum had little effect at that time or in September 1961 when it went to $1.15. The increase in September 1965, however, to $1.25 for these newly covered jobs where black teenagers had previously found an entry to the labor force [13] produced a sufficient impact on the number of jobs available to non-white teen-agers to markedly increase their relative unemployment rate. Instead of their employment rate averaging only 80 per cent more than that of white teen-agers, as it had from September 1964 through August 1965, it soared to a level 130 per cent more in the following year.

Although the reported unemployment rates show the greater impact of the minimum wage laws on non-white teen-agers than on white teen-agers, these figures understate the difference. Many non-white teen-agers may also have been discouraged, but not so much if we judge by relative movements of participation rates. They have dropped more sharply for non-whites than for whites.

After the minimum wage increased in 1950, the participation rate for non-white male teen-agers fell while that for white male teen-agers rose (Table 7). If unemployment rates are adjusted for changes in participation rates from the preceding year, the relative unemployment rate of non-whites shows a 40 percent jump in 1950 compared to 1949 instead of no change.

The participation rate for both groups increased in 1956 over 1955, but more for whites than non-whites. Again, this makes for a sharper jump in the adjusted relative unemployment rate for non-whites than is shown by the unadjusted figures.

Following the September, 1961, increase in minimum wage rates, participation rates for both whites and non-whites declined. The non-white male teen-age rate fell more sharply than the white rate. For the first time, it fell below the white rate and has remained below it since. If adequate data were available for adjusting unemployment rates,[14] non-white unemployment rates would undoubtedly show a much sharper rise relative to white unemployment rates than they do. The reported unemployment figures understate the magnitude of the unemployment effect of minimum wage rates on the non-white population.

CONCLUSION

Minimum wage statutes have increased the incomes of a few workers at the time of their imposition. These increases would have come anyway, in most cases, within two to five years. The wage rates of low paid employess in noncovered occupations [15] have been rising four per cent per year since 1949 despite the depressing effect of additional workers looking for jobs in this sector who have been forced out of covered jobs.

What successive amendments to the minimum wage statute have done to jump rates in the year of application. Very slow rates of increase then occur in the following years. The total increase differs little between the industries affected by minimum wage increases in 1950 and those not affected in the longer period within which the 1950 minimum wage increase occurred. This was repeated in the case of the 1956 increase.

If all that happened as a result of the minimum wage statute was a change in the timing of wage rate increases, there would be little to concern us. However, in the interval between the time that the minimum wage is raised and the time that productivity and inflation catch up with the increase, thousands of people are jobless, many businesses fail which are never revived,[16] people are forced to migrate who would prefer not to, cities find their slums deteriorating and becoming over-populated, teen-agers are barred from obtaining the opportunity to learn skills which would make them more productive, and permanent damage is done to their attitudes and their ambitions. This is a large price to pay for impatience.

FOOTNOTES

*This paper was originally presented at the annual Mont Pelerin Society meeting, Aviemore, Scotland, September 3, 1968.

[1] George J. Stigler, The Economics of Minimum Wage Legislation, 36 Am. Econ. Rev. 358 (1946).

[2] A. Rees, Patterns of Wages, Prices, and Productivity, in Wages, Prices, Profits and Productivity (1959); W. S. Woytinsky and associates, Employment and Wages in the United States (1953).

[3] Yale Brozen, Minimum Rates and Household Workers, 5 J. Law & Econ. 103 (1962).

[4] David E. Kaun finds the effects on the structure of wage rates still apparent five years after the 1950 increase in the minimum wage to $0.75 despite the return of average wage rates to their old relative position. That is, a "bunching" of employees in the lowest wage interval (minimum plus five cents) had not disappeared five years after the increase in the minimum occurred. Economics of the Minimum Wage: The Effects of the Fair Labor Standards Act, 1945–1964, at 36 (unpublished dissertation, Stanford University, 1964).

[5] See, for example, Marshall R. Colberg, Minimum Wage Effects on Florida's Economic Development, 3 J. Law & Econ. 106 (1960).

[6] It has been argued that unemployment increases in the month the minimum wage rises from the month preceding because inventories are built to abnormally high levels before the minimum wage increase in order to beat the cost increase. However, this argues that additional employees are available at the previous wage below the minimum and, therefore, the labor market for low wage skills is *not* monopsonistic or the wage increase is too large. To minimize this effect, and to eliminate the effect of uncertainty in the appropriate seasonal adjustment to use in comparing month to month changes, annual data are used in the rest of this analysis. Estimates of the seasonal factor in unemployment series indicates serious bias in the seasonal adjustment factors used by the Bureau of Labor Statistics. John A. Brittain, A Regression Model for Estimates of the Seasonal Component in Unemployment and Other Volatile Time Series, 44 Rev. Econ. & Stat. 24 (1962).

[7] If a rising proportion of teen-agers in the workforce accounted for the rising unemployment rate we should expect a larger number of upward changes in unemployment rates in all the month to month changes rather than the large proportion occurring in the month of increases in national minima.

[8] White male unemployment among 18–19 year olds (the group subject to draft calls) declined from 14.2% (1949) to 11.7% (1950) while 16–17 year old unemployment rates remained at 13.4%.

[9] Among male teen-agers, labor force participation rates (including armed forces) declined from 52.3% for 16–17 year olds and 79.5% for 18–19 year olds in 1949 to 52.0% and 79.0% in 1950. Among female teen-agers, participation rates declined from 31.2% for 16–17 year olds and 53.0% for 18–19 year olds in 1949 to 30.1% and 51.3% in 1950. These declines were evidently the effect of discouragement of job seekers since participation rates in these groups rose in 1951 as the effect of the minimum wage increase was increasingly nullified by inflation. (The consumer price index rose by 8% from 1950 to 1951.)

[10] Yale Brozen, *supra* note 3, at 104.

[11] U.S. Bureau of Labor Statistics, Dept. of Labor, Bull. No. 1511, The Negroes in the United States: Their Economic and Social Situation 27 (1966).

[12] While the ratio of non-white to white teen-age unemployment rose from 1.8 (1956) to 2.4 (1957), the ratio of non-white to white employment in other age groups little affected by minimum wage rates declined from 2.4 (1956) to 2.1 (1957) for men and 2.1 (1956) to 1.8 (1967) for women.

[13] In February, 1963, 53% of non-white, 16–21 year old high school graduates who were employed full-time earned less than $49 a week (and more than half of these earned less than $40 a week) in contrast to 22% of white 16–21 year old high school graduates. Among school dropouts, 82% of non-white, 16–21 year olds employed full-time earned less than $49 a week (and more than three-

fourths of these earned less than $40) in contrast to 35% of white, 16–21 year old youths. See U.S. Bureau of Labor Statistics Bull. *supra* note 11, at 129.

[14] See K. Strand and T. Dernburg, Cyclical Variation in Civilian Labor Force Participation, 46 Rev. Econ. & Stat. 378 (1964) for a discussion of some of the factors influencing participation rates.

[15] Private household workers and agricultural employees.

[16] David E. Kaun, Minimum Wages, Factor Substitution and the Marginal Producer 79 Q. J. Econ. 478 (1965).

Mr. BUCKLEY. Mr. President, I fully recognize the futility of bringing this matter to a vote. I did want to take this occasion to reiterate the arguments so that people may be forewarned as to the probable impact of the legislation we are debating today. I believe that it is time that we came to understand the need to see the overall effects on every segment of our society of legislation of such broad scope, of such near universal applicability; but, as I said before, I recognize it would be futile to call it to a rollcall vote, and that it would be futile to call it to a voice vote. Under the circumstances, I am prepared to withdraw the amendment.

The PRESIDING OFFICER. The amendment is withdrawn. The bill is open to further amendment.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. JAVITS. Mr. President, I will restore the quorum call in a moment. I want to respond to the discussion of my colleague.

The PRESIDING OFFICER. Who yields time?

Mr. JAVITS. I yield myself such time as I shall require.

Mr. WILLIAMS. Mr. President, will the Senator yield to me?

Mr. JAVITS. I yield to the Senator from New Jersey.

Mr. WILLIAMS. Mr. President, the amendment that the Senator from New Mexico offers recognizes the need for time in which to adjust to the provisions of this bill if it becomes law. The date in the bill before us is the date which is carried in the bill that was vetoed last year.

This incorporates the same amount of time for adjustment under the bill as in the last bill.

I certainly approve of and accept the amendment.

Mr. JAVITS. Mr. President, the amendment is acceptable on this side of the aisle.

Mr. WILLIAMS. Mr. President, I yield back the remainder of my time.

Mr. JAVITS. Mr. President, I just wish to say that I respect the views of my colleague from New York. The matter was discussed very completely last year.

I ask unanimous consent that my portions of my explanation of our position with respect to the provisions of the bill last year be printed in the RECORD. My statement appears in volume 119, part 19, page 24783 of the RECORD.

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

Mr. JAVITS. * * *

The decisive difference in respect to youth unemployment seems to be discrimination on grounds of color, even though it is unlawful, because black unemployment is twice that of white unemployment for teenagers. It is also because of the deficiencies in manpower training and the lack of skill, which is attributable to lack of training But present law allows learners and apprentices to have special minimum rates.

Not only would we not do anything decisive by reducing the rate for youth generally, which is what the Buckley amendment seeks to do, we would also open the door to its abuse, because as union labor fears and has for years, there will be a revolving door for youth employment at 15 percent less than the minimum wage and we will be depriving adults of job opportunities without doing the youth any good, adequate to compensate for the harm we would be doing generally.

Interestingly enough, the Buckley amendment is even tougher on the youth differential than the Dominick-Taft substitute, which was turned down yesterday. For example, the Buckley amendment puts no time limit on jobs at subminimum rates for 16- and 17-year-olds, how long they may be employed at lower rates, nor does it restrict 18- and 19-year-old students to part-time work. This amendment would cover full-time work, and so it merely increases the very danger which organized labor fears from this amendment.

Secondly, we lawyers have a doctrine called the doctrine of deminimus. What we are talking about here is a 15-percent discount. The 15-percent discount, in my judgment, and I have represented many employers in my days, does not make an employer determine that he is going to hire a teenager, unless he is really anxious to cut down his wage bill by hiring youths instead of adults. Whether it is put on the basis of wasting material or not doing the job adequately, in my judgment no businessman is going to run that risk for a 15-percent discount. If he can pay him $1.70 and he is a good worker, he will pay him $2. If he needs training, the law provides a differential already. All the Buckley amendment would do, then is to open the door to unlimited exploitation.

This is essentially an open door to those who want to get a discount on the minimum wage for general business purposes, and not particularly because they want to employ youth.

Finally, we have all the studies made for years, which bear out the statement that this has no decisive effect. First, I invite the attention of Senators to the book which is on the desk of each Senator. I invite them to look at the background material on fair labor standards on page 240, which is a chart and it shows the effect on teenage employment by increases in the minimum wage. If Senators will look at the years before 1969, when there were even greater percentage increases in terms of the absolute minimum wage than this bill provides, youth employment improved than failed to improve. In the years 1969–71 youth unemployment worsened, but in those years there were no general increases in the minimum wage and there was a recession. At the very least, the overall employment statistics neither prove or disprove the fundamental thesis upon which this amendment is based.

In addition, the Labor Department has made some very important studies with respect to this situation. For example, in the 1968 manpower report of the President, a complete section was devoted to the problem of "bridging the gap from school to work." The excerpt to which I refer is at page 53 of the committee report on this bill. The very tenor of the report, which I beg Senators to read, is very important as bearing on this subject factually. The tenor of that report is that, again, there is no decisive effect in the minimum wage regarding the inducement to the individual employer to employ youths. As a matter of fact, what the Senate did, and it forced its will, I am happy to say, in the summer youth corps program, and what we will do in respect of manpower and manpower training, is infinitely more vital.

I cannot say any more than Senator BUCKLEY said—quite characteristically of him—that he cannot guarantee that no adult would be displaced by a youth who is employed. I cannot say that no youth will get a job which he would not otherwise have gotten unless we allow the 15-percent differential. But our problem is not the individual case. Our problem is the whole fate of the bill, and whether it is worth it for what this amendment asks us to do. Definitely, in my judgment, I come down on the side that it is not.

Mr. President, another study to which I wish to refer, and I have it before me and I would be glad to let any Senator examine it, is entitled "Youth Employment and Minimum Wages." It is dated 1970. Incidentally, that was a time when George Shultz, now Secretary of the Treasury, was Secretary of Labor. So there was no pro-labor bias involved.

The key finding is—

"It was not possible to adequately separate out the effects of minimum wage changes from other developments."

This is in respect of youth unemployment.

"A demonstrable relationship exists between minimum wages and youth unemployment rates, if other variables are excluded from the analysis, but when other variables, such as population and school enrollment changes are taken into account, the effect of changes in the minimum wage upon teenage employment becomes obscure."

Mr. President, I also wish to include in the RECORD an excerpt from an article on this same subject by Michael C. Lovell, in the December 1972 Western Economic Journal entitled, "Minimum Wage, Teenage Employment, and the Business Cycle," which, in essence, comes to the same conclusion.

Mr. President, I ask unanimous consent to have that excerpt printed in the RECORD.

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

"To sum up, the proposition that the minimum wage materially affects the level of unemployment receives support provided one is willing to assert as part of the maintained hypothesis that the substantial increase in the teenage population relative to the rest of the labor force has not materially influenced the teenage unemployment problem; but this is a dubious proposition. An optimist can hope that as additional observations accumulate it may eventually be possible with more sophisticated simultaneous equation techniques to segregate adequately the effects of such factors. Pending the results of further study, it seems more reasonable to accept, tentatively and reluctantly, the null hypotheses that the minimum wage has no impact on teenage unemployment."

Mr. JAVITS. Also, it will be noted that section 14(a) of existing law gives very broad authority to the Secretary of Labor to make any differentials, not just the 15 percent, provided that the Secretary sets the conditions as to time and number and proportion and length of service, and provided that the use be in the area of learners, apprentices, or messen-

gers employed in delivering letters and messages and that they be under special certificates. To the extent that training is determined to be necessary for youths, section 14(a) provides for special minimum wage rates to be paid. I do not understand why any additional authority is necessary.

It seems to me that this answers the only additional point my colleague raised that youth is not worth the wage of the adult because he needs training.

I would like to say, Mr. President, that I feel that American business has by and large not pressed for the youth differential. One thing that has always puzzled me in the argument over the youth differential is to what extent American business will use it unless it is to cut or trim employment.

This is a place where they can show their good faith. They can use section 14(a). And if the response from the Secretary of Labor is unsatisfactory, this is subject to legislative oversight in the Labor and Public Welfare Committee. We will do our utmost to correct that.

For all of those reasons, we stand by our position respecting this particular provision of the bill.

Mr. DOMINICK. Mr. President, I yield 2 minutes of the bill to the junior Senator from New York.

Mr. BUCKLEY. Mr. President, I would like to comment on the remarks made by my distinguished senior colleague on the provisions in the bill.

Yes, they do represent an improvement over the present situation, but only a small improvement. They sharply restrict the areas of employment that will be made available to young men and women seeking to enter into their economic life and seeking to become self-supporting. They create a kind of bureaucratic interference in terms and conditions, and based on how governmental agencies have managed to mismanage their responsibilities in the past. It offers no great encouragement to me, as much as I respect the distinguished Secretary of Labor, who obviously would not be doing the regulating himself.

Second, although the distinguished senior Senator from New York states that if this does not work we can go back to the drawing board and come up with some other provision, we must live with the stark fact that hundreds and thousands of young men and women will remain out of work.

I see no reason why we should not go the whole step and allow young people to receive training and become self-supporting.

YOUTH

Mr. TAFT. Mr. President, I am particularly disappointed that the committee did not take new initiatives to increase employment opportunities for youth, especially for nonstudent youth. As an example of the acute unemployment problems in this area, I ask unanimous consent that a chart showing the unemployment rates for youth 16 and 17 years of age be printed in the RECORD.

This acute problem is further emphasized by the statistics for January of this year, as the national unemployment rate for Caucasians 16 and 17 years of age was 16.8 percent and for non-Caucasians 16 and 17 years of age, the rate was a towering 38.9 percent. These statistics underscore the need for implementation of a statutory national program of specialized wage structures for youth similar to proposals I have advocated during prior consideration on this issue.

While no hearings were held prior to reporting S. 2747, testimony received during the last year on the vetoed bill from economists unanimously endorsed the concept of a special youth differential. In this context, I ask unanimous consent that correspondence I received from Mr. Andrew Brimmer, member of the Board of Governors of the Federal Reserve System, on this subject be printed in the RECORD. I also ask unanimous consent that an article by Mr. Brimmer entitled "Don't Close the Job Door on Youth," that appeared in the July 1973 issue of Nation's Business be printed in the RECORD.

Further, I ask unanimous consent that an article entitled "Teen-Age Unemployment and Real Federal Minimum Wages," from the Journal of Political Economy, by Dr. Douglas K. Adie, a professor in the School of Economics at Ohio University, Athens, Ohio, and a witness before the committee last year, be printed in the RECORD.

The broad authority available to the Secretary of Labor under section 14 of the act, I am certain will be exercised. I am of the opinion that more is needed in this area and I am hopeful that my colleagues will support the proposal submitted by Senator BUCKLEY.

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

UNEMPLOYMENT RATES FOR 16 AND 17-YEAR-OLDS ANNUAL AVERAGE, 1963-72

	Male		Female	
	White	Negro and other races	White	Negro and other races
1963	17.8	27.0	18.1	40.1
1964	16.1	25.9	17.0	36.5
1965	14.7	27.1	15.0	37.8
1966	12.5	22.5	14.5	34.8
1967	12.7	28.9	12.9	32.0
1968	12.3	26.6	13.9	33.7
1969	12.5	24.7	13.8	31.2
1970	15.7	27.8	15.3	36.9
1971	17.1	33.4	16.7	38.5
1972	16.4	35.1	17.0	38.3

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM,
Washington, D.C., June 7, 1973.

Hon. ROBERT TAFT, Jr.,
U.S. Senate,
Washington, D.C.

DEAR SENATOR TAFT: I am responding to your request for my views on the proposal to increase the statutory minimum wage. I support legislation to accomplish this objective. However, I have reservations about an across-the-board application, particularly with respect to young people. When the present minimum is raised, I feel that it is desirable for Congress to amend the Fair Labor Standards Act (F.L.S.A.) to permit employers to offer jobs to youths at special entry wages below the statutory minimum.

A number of considerations have led me to this conclusion. Young workers generally tend to have few job skills. Thus, a lower initial wage—at least during the first few months on a new job—would give them a better chance to compete in the labor market. If special job market provisions for young workers are not available, I think the persistent problem of youth unemployment will become even more serious.

The scope of teenage joblessness has been widely recognized, and I have studied the trends in unemployment closely. In the first quarter of this year, the unemployment rate for workers 16–19 years was 14.7 per cent—nearly four times the rate for adults. The situation was particularly distressing among black youth: nearly one out of three black teenagers in the labor force was unable to find a job. Moreover, the jobless problem among young people both black and white has been deteriorating over the past decade. Prior to 1960, unemployment among young workers was roughly two to three times the adult rate; however, since the mid-1960's, jobless rates among teenagers have been four or five times greater than that of older workers. Black youth have always carried a disproportionate share of the unemployment burden, and it has become even heavier in the last decade. For example, the ratio of the black youth unemployment rate to that of their white counterparts rose from nearly 2 to 1 in 1963 to about 3 to 1 in 1972.

Moreover, there is little prospect of relief in the immediate future: although the number of white teenagers entering the labor market in the 1970's will be substantially lower than during the 1960's, the black teenage population will continue its growth at the same rapid rate which prevailed in the 1960's. The result will be severe job-finding problems for minority group youth unless positive steps are taken.

Several developments over the last decade have contributed to the youth unemployment problem including the substantial expansion of the youth population. However, in citing various reasons, I do not think one should overlook the possibility that past changes in F.L.S.A. may have had an adverse impact on job opportunities for young people. A number of studies by economists have shown that the progressive extension of minimum wage coverage to retail trade and service industries may have had an adverse impact on teenage employment.

Teenage employment is heavily concentrated in retail trade and service establishments. For example, over three-fifths of all young workers held jobs there in 1972. These are areas in which average wages are typically below the average for the economy as a whole and where extension of FLSA coverage would have had a noticeable impact. Although it is difficult to measure the impact on teenage employment, it would seem that raising labor costs may have provided a disincentive for employers to hire teenagers. Young people searching for their first job typically have no vocational training or experience.

They need extra training and more instruction than an older worker, and all of this is costly to employers. Raising the wages of these inexperienced workers may become too costly to the employer, and job opportunities for young workers may be adversely affected. Given this situation, the implication is clear: teenagers occupy jobs in industries where a further extension of coverage and an increase in the statutory minimum might further diminish employment opportunities for young people.

To help forestall such a prospect, I urge the adoption of a special entry wage for young workers. The Administration proposal for a youth minimum wage would meet this need. The case for an entry wage rests mainly on the incentive it would give employers to help pave the way for young people to begin productive careers in the working world. However, at the same time safeguards would have to be built into a proposal of this nature because some employers would undoubtedly use a differential minimum wage to replace some of their higher-wage adult employees with lower paid teenagers. To prevent abuse, both a limit on the number of workers paid less than the minimum wage as well as an

explicit time period during which the entry rate could be paid are necessary, as suggested by the Administration. Some risk will still remain, but I personally think it should be accepted. The unemployment situation among teenagers has been deteriorating for years, and there appears to be no prospect of significant improvement in the foreseeable future, unless some positive action is taken now. I believe an entry wage for young people would be a step in the right direction.

Sincerely yours,

ANDREW F. BRIMMER.

DO NOT CLOSE THE JOB DOOR ON YOUTH

(By Andrew F. Brimmer, member, Board of Governors of the Federal Reserve System)

The jobless rate among American teenagers who want to work is three times higher than that of their elders. For young blacks, it's six times higher.

Although workers aged 16 through 19 are less than 10 per cent of the civilian labor force, nearly 28 per cent of all the unemployed are in that age group.

This problem of youth unemployment has been with us for a long time, but it has gotten much worse in the past 10 years.

Among the causes: A substantial growth in the youth population; a larger number of students competing for part-time jobs; continuing movement of families from rural areas to cities, resulting in a sharp increase in the number of teen-agers who must compete in the urban job market; and the effect of the draft on hiring policies.

But to that list must be added the adverse impact on youth employment of the statutory minimum wage.

Congress is now considering legislation to raise that pay floor once again and to expand coverage to additional categories of workers.

It is crucial that any such legislation permit employers to offer jobs to teen-agers at a wage rate below that set for adults.

If such an opportunity is not provided, the youth unemployment problem will almost certainly become even more serious than it already is.

Because teen-agers have few skills, are frequently looking for part-time jobs, and cannot match more experienced workers in terms of productivity, businessmen have little incentives to employ them—or to train them once they are on the job—when they must be paid the same wages as older workers.

Teen-age unemployment is particularly high not only for this reason, but because so many youngsters lose or quit their jobs once they have them—and wind up asking new employers for work.

When we come right down to the wire, the case for an entry wage for teen-agers must rest mainly on the incentive it would give employers to pave the way for young people to begin productive careers in the world of work.

STEPPING UP

The Administration has recommended that the present $1.60 an hour minimum wage be increased to $2.30 an hour—in four annual steps for workers covered before 1966 and five annual steps for those covered since then.

For agricultural workers, the minimum would go from the present $1.30 to $2 in four annual steps.

That plan also provides for a youth differential. It would work this way for full-time jobs:

The minimum wage for 16- and 17-year-olds during their first 20 weeks on a job would be 80 percent of the adult minimum or $1.60 an hour, whichever is higher. In agriculture, the rate for that age group would be 80 per cent of the adult minimum or $1.30, whichever is higher, also for the first 20 weeks.

For those 18 and 19, the minimum would be the higher of 85 per cent of the adult rate, or $1.60. If they were in farm work, the minimum would be the higher of 85 per cent of the adult farm rate or $1.30 an hour. The entry wage rate for these older teen-agers would apply for the first 13 weeks on the same job.

The legislation also proposes that full-time students under 21 years of age be allowed to work up to 20 hours a week in any job at a minimum wage equal to 85 per cent of the adult minimum. At present, full-time students may be paid at a lower rate only in retail and service industries and agriculture.

Sen. Peter H. Dominick (R.-Colo.) also is sponsoring legislation to provide for a youth differential and [see "A Moderate Approach to the Minimum Wage," Nation's Business, March 1973] other variations have been offered.

[The youth wage concept was rejected by the House when it passed minimum wage legislation recently, but it is getting another chance in the Senate, which is expected to take action on the issue shortly.]

It's clear that the adverse effects of the minimum wage on youth employment have been recognized and that careful consideration is being given to legislative action to help use this extra burden on young jobseekers.

In the first quarter of this year, the unemployment rate among workers 16 through 19 was 14.7 per cent. This was in sharp contrast to 5 per cent for the total labor force, 3.4 per cent for adult males and 5 per cent for adult women.

The situation was particularly distressing among black youths, with a 30.1 per cent unemployment rate. Among blacks generally, the overall rate was 9 per cent. It was 5.5 per cent for adult black males and 8.6 per cent for adult black women.

Among whites, the jobless rate for youths was 12.9 per cent, compared with 4.5 per cent overall; 3.1 per cent for men and 4.5 per cent for women.

Even apart from the proposed increases in the minimum wage, a number of studies by economists, including some in the federal government have suggested that existing minimum wage legislation—the extent of coverage as well as the specific pay levels—has had a serious adverse impact on job opportunities for young people.

The progressive extension of coverage to retail and service industries may have been especially burdensome.

Prior to 1961, only 6.2 per cent of wage and salary workers in the retail trade were covered by minimum wage legislation. Last year, 56 per cent were covered.

WHERE TEEN-AGERS WORK

In the service industries, 17.4 per cent of employees were covered prior to 1961, and 51.8 per cent last year. Hardly any farm workers were covered before the 1966 amendments to the minimum wage law, but 38.3 per cent are now under its provisions. In construction, coverage went from 41.7 per cent before 1961 to more than 90 per cent last year.

It is in retail trade and services that young people find jobs most frequently.

Last year, for example, nearly 40 per cent of all employed teen-agers were in retail jobs; about 25 per cent were in service establishments and another 6 per cent were in private households.

By contrast, less than 15 per cent were in manufacturing jobs; 6 per cent on farms, 5 per cent in construction and 2.5 per cent in transportation.

For job opportunities young people have come to depend heavily on areas in which average wages are typically below the average for the economy as a whole.

Conversely, high-wage industries employ relatively few teen-agers.

The implication of these patterns is self-evident: Teen-agers occupy jobs in industries where a further extension of minimum wage coverage and an increase in the rate would close the employment door for many of them.

UNDERCUTTING LABOR GAINS?

Before concluding, it is necessary to address issues which must be confronted if an entry wage for teen-agers is to be allowed.

A number of economists, public officials and other observers (as well as trade union officials) have long held that such a provision would undercut hard-won gains made by the labor movement over many years.

I admit that if employers could pay wages below the statutory minimum, they most likely would use the option to hire people whom they otherwise might not be willing to employ. That is precisely the point: The willingness of employers to bring in teen-agers presupposes that the newly-hired workers' productivity would at least equal the wage—after some reasonable allowance for learning time.

On the record, it appears that a substantial number of employers have concluded that a considerable proportion of young people simply cannot meet that test. An entry wage below the statutory minimum would help to reduce this employment disincentive.

At the same time, I also realize that safeguards would have to be built into an entry-wage plan.

Undoubtedly, some employers would try to replace some of their high-wage employees with workers to whom they could pay less. To prevent this, the Administration's proposal would limit an employer to no more than six workers or 12 per cent of his labor force, whichever is higher, who could be paid at the below-minimum rate. The fairly short period (up to 20 weeks) during which the below-minimum rate could be paid works toward the same objective.

While some risk remains, I believe it should be accepted in view of the persistent high unemployment among young people. I know that any substitution of lower-paid young workers for higher-paid, more mature employees would involve some cost. But some benefits would also result. Thus, it becomes a question of trade-offs.

Given the fact that the unemployment situation among teen-agers has been deteriorating for years, it is obvious that they have borne more than their share of joblessness. Moreover, there appears to be no prospect of significant improvement in the foreseeable future.

Relief is sorely needed. An allowance for an entry wage for young people would be a move in the right direction.

TEENAGE UNEMPLOYMENT AND REAL FEDERAL MINIMUM WAGES

(By Douglas K. Adie, Ohio University)

(NOTE.—Received for publication June 16, 1971. Final version received January 20, 1972.

(I would like to tank Yale Brozen, Sam Peltzman, Finis Welch, Robert J. Gordon, and particularly Gene Chapin for suggestions on earlier work. I am also grateful to an anonymous referee for helpful comments. Computations were performed at the Ohio University Computer Center by John Raisian. Any errors are my responsibility. Financial assistance from the Institute for Humane Studies, the Fred C. Koch Foundation and the Earhart Foundation supported the work in this area.)

A federal minimum wage was first enacted under the Fair Labor Standards Act of 1938 to raise the minimum standard of living without curtailing employment. This note examines the impact of the federal minimum wage on teen-age unemployment to see whether the intentions of the legislators were realized.

Department of Labor studies have been criticized elsewhere for suggesting that minimum wages have not reduced employment or damaged the "marginal" firm.[1] Peterson (1957), for instance, demonstrated an employment effect from state and federal minimum wages using cross-sectional anal-

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Footnotes at end of article.

ysis. Kaun (1965) also found that low-wage industries tended to substitute non-wage factors of production for labor in response to increases in the minimum wage. Brozen's (1969) investigation showed that teen-age unemployment increased each time the federal minimum wage was increased. Except for Moore's (1971) article, however, studies have not measured the extent to which variations in minimum wages are related to variations in unemployment rates.[2] To guide policy makers, it is helpful to have some idea of the magnitude of unemployment responses to changes in the minimum wage rate. The present study provides estimates of the strength of this relationship for teen-agers.

MODEL

Economic theory suggests that the quantity of labor demanded will decrease and the quantity of labor supplied increase if a minimum wage is set above the market clearing wage. The extent of these effects depends on the discrepancy between the minimum wage and the market clearing wage and on the size of the elasticities. Because of union age requirements, statutory age requirements, and low skill levels, the market wage for a large proportion of teen-agers, particularly nonwhite teen-agers, is likely to be below the minimum. Hence, teen-agers will be more severely affected by minimum wages. However, since unemployed teen-agers drop out of the labor force to continue their education, the unemployment effect of federal minimum wages may be understated in the statistics.

To construct the model, consider a nonlinear demand for labor function,

$$D=aI^bX^c, \quad (1)$$

where D is the quantity of labor demanded expressed in number of workers, I is an index of industrial production, a, b, and c are parameters, and X is the real minimum wage. The equality

$$S=dX^f \quad (2)$$

is a nonlinear supply of labor function, where S is the number of workers offering their labor services and d and f are parameters.

From (1) and (2),

$$(S-D)/S=1-(a/d)I^bX^{c\ f}. \quad (3)$$

Since the unemployment rate, U, is expressed in percentage terms, $U=(S-D)/S\times 100$ and (3) becomes

$$U=100-100(a/d)I^bX^{c\ f}. \quad (4)$$

For downward-sloping demand and upward-sloping supply functions, $c<0$ and $f>0$, so $c-f<0$ and $\delta U/\delta X<0$. Using new parameters, (4) can be approximated by the following expression in log form:

$$\ln U_t=\alpha+\beta\ln I+\gamma\ln X, \quad (5)$$

which is the basic form of the model.[3]

THE EXTENT OF UNEMPLOYMENT EFFECTS

The unemployment elasticities for the period January 1954 to December 1965 are listed in column 1 of table 1 with the standard errors in parentheses.[4] The most striking feature of these elasticities is that they are all positive. This implies that increases in teen-age unemployment in every category are associated with increases in the real federal minimum wage. Except for male white teens, all unemployment elasticities are significant at the 5 percent level.

It is interesting to compare the size of the elasticities for the different classifications of teen-agers, since they are intuitively consistent with each other. For instance, the unemployment elasticity for all teens is 0.362, so it

TABLE 1.—UNEMPLOYMENT ELASTICITIES

	January 1954 to December 1965	Predicted unemployment rates under hypothetical increases in minimum wage as of December 1965		Lag months			January 1954 to September 1961	January 1954 to September 1963
		1 percent	10 percent	8	16	24		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
All teens	0.362	12.95	13.37	0.454	0.517	0.596	0.081	0.227
	(.105)			(.118)	(.115)	(.105)	(.166)	(.142)
White teens	.270	11.13	11.39	.394	.504	.525	−.031	.093
	(.109)			(.109)	(.112)	(.108)	(.157)	(.137)
Nonwhite teens	.914	27.85	30.12	.810	.708	.873	.602	.837
	(.156)			(.179)	(.176)	(.148)	(.273)	(.211)
Male white teens	.118	10.91	11.03	.258	.370	.429	−.135	−.013
	(.089)			(.092)	(.097)	(.099)	(.130)	(.121)
Female white teens	.569	11.67	12.26	.562	.672	.596	.187	.367
	(.167)			(.176)	(.186)	(.176)	(.264)	(.203)
Male nonwhite teens	.883	23.30	25.14	1.010	.788	.834	.820	.857
	(.198)			(.206)	(.177)	(.158)	(.366)	(.276)
Female nonwhite teens	1.040	34.86	38.09	.688	.920	1.456	.442	.890
	(.171)			(.219)	(.253)	(.208)	(.269)	(.229)

To gain an appreciation for the extent of the unemployment effect of changes in the real federal minimum wage, consider columns 2 and 3 of table 1. Based on the unemployment elasticities in column 1, the unemployment effects of increases in the federal real minimum wage as of December 1965 for each teen-age labor force classification have been calculated for 1 and 10 percent changes in the minimum. For instance, consider the unemployment elasticity for all teens in column 1, which is 0.362. This means that for a 10-percent increase in the federal real minimum wage, the unemployment rate for all teens would increase by 3.62 percent of the prevailing rate. In December 1965, the unemployment rate for all teens was 12.9, so if the minimum were raised 10 percent in this month, the unemployment rate would increase initially by 0.47 due to this increase in the minimum wage. The new unemployment rate would then be 13.37, which is given in column 3. The unemployment rates in columns 2 and 3 were computed similarly. These calculations assume no change in the price level. Increases in the price level tend to erode the unemployment effect of changes in the minimum wage.

THE LAG STRUCTURE OF UNEMPLOYMENT EFFECTS

In this section the unemployment effects are determined after 8, 16, and 24 months by lagging the minimum-wage variable in equation (5). All the elasticities are significant at the 5 percent level and are listed in columns 4, 5, and 6 of table 1.

The elasticities show the same direction of change as the lag is increased from 0 to 24 months. The elasticities for all teens, white teens, and male white teens increase steadily as the lag is increased from 0 to 24 months. The elasticity for female white teens increases as the lag is increased from 0 to 16 months, then decreases as the lag is increased to 24 months. The elasticity for nonwhite teens decreases as the lag is increased from 0 to 16 months, then increases as the lag is increased to 24 months. The elasticity for male nonwhite teens increases, decreases, then increases again as the lag is increased from 0 to 8, 8 to 16, and 16 to 24 months, respectively. The elasticity for female nonwhite teens decreases as the lag is increased from 0 to 8 months, then increases as the lag is increased from 8 to 24 months.[5]

The remarkable feature of the lagged estimates of the unemployment coefficients is that even after 2 years the unemployment effects of a change in the federal minimum wage are quite substantial and in most cases greater than the immediate effect. The unemployment elasticity is greater than the initial elasticity after 24 months for all teens, white teens, male white teens, and female nonwhite teens. The elasticities for nonwhite teens and male nonwhite teens are slightly less than the 0-month lag estimates.

The general tendency for the elasticities for all teens, white teens, and particularly male white teens to increase as the lag is increased indicates the delayed response pattern of employers in adjusting their factor proportions to a change in relative factor prices—particularly the quantity of male white teens hired. Although the 0-month lag elasticities for white teens, and particularly male white teens, are low relative to other teen-age classifications, they display the largest percentage increase as the length of the lag is increased. For nonwhite teens, with much higher initial lag unemployment elasticities, most of the adjustment takes place within 8 months.

Footnotes at end of article.

Since price changes have been accounted for by using real minimum wages, the slight decrease in the elasticity for male nonwhite teens and female white teens from their peak values after 24 months reflects productivity increases relative to the productivity of other factors. However, the slow rate of decline in the elasticities indicates that even for these groups, productivity increases quite slowly and significant employment effects persist after 24 months. Since the 24-month lag elasticity for all other classifications of teen-age labor is the maximum calculated, the unemployment effects of a change in the minimum wage for all other classifications also persist for a considerable time after 24 months. Since these unemployment effects assume a zero rate of inflation, a high rate of inflation could substantially reduce the length of time of the unemployment effect.

THE UNEMPLOYMENT EFFECTS THROUGH TIME

In this section the unemployment elasticities are investigated over three time periods. (1) January 1954–September 1961, (2) January 1954–September 1963, and (3) January 1954–December 1965. January 1954 was chosen as the beginning date because it is the first month for which unemployment data are available for the classifications of teen-age labor used in this paper. The terminal dates of periods (1) and (2), September 1961 and September 1963, coincide with changes in the federal minimum wage to $1.15 and $1.25, respectively, while the last date, December 1965, represents the last month for which the data were available. The results are listed in columns (1), (7), and (8) of table 1 and indicate that the elasticities increase steadily from periods (1) to (3).[7] Increased coverage, stricter enforcement of laws, and the availability of cheap substitutes in production may account for this trend. More work needs to be done before assessing these causes.

CONCLUSION

The results of this study indicate that (1) increases in the federal minimum wage cause unemployment among teen-agers; (2) the effects tend to persist for considerable periods of time; and (3) the effects seem to be increasing through time. This result is not surprising, since one of the fundamental difficulties with legislative attempts to alter the economic structure of the economy arises from the apparent inability of legislators to see the full social and economic consequences of their interference.

In conclusion, it appears that the minimum wage is responsible for a considerable amount of teen-age unemployment. To the extent that a minimum wage creates unemployment among minority-group teen-agers, it inevitably will exacerbate the social unrest in urban ghettos. With this information in mind, serious consideration should be given to reducing, or removing, the federal minimum wage for teen-agers.

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FOOTNOTES

[1] For a discussion of Department of Labor Studies, see U.S. Department of Labor (1970, pp. 30–33). For criticism of Department of Labor studies, see Stewart and Macesich (1960).

[2] There are difficulties with Moore's (1971) specification of the real minimum-wage variable. It is not the *nominal* minimum wage in time $t - m$ deflated by average hourly earnings in time t that affects the unemployment rate in time t, as Moore's model indicates, but the *real* minimum wage in time $t - m$, which is the nominal minimum wage in time $t - m$ deflated by the average hourly earnings in time $t - m$. Also, the weights associated with earlier changes in the nominal minimum wages are constrained by his model to be larger than those associated with recent changes. This weighting pattern requires some theoretical justification, since it is not the normal decay pattern. However, despite the misspecification, Moore's results still show significant teen-age unemployment effects of changes in federal minimum wages.

[3] I have used seven classifications of teen-age monthly unemployment rates, seasonally adjusted, supplied by the Bureau of Labor Statistics for the time period January 1954–December 1965. They are for the following teen-age groups, age 16–19; (1) all teens, (2) all white teens, (3) all nonwhite teens, (4) male white teens, (5) female white teens, (6) male nonwhite teens, and (7) female nonwhite teens. The symbol U_i is used to designate the ith classification of teen-age unemployment. Also, I have used the monthly consumer price and wholesale price indices supplied by the Bureau of Labor Statistics for the same period, designated P_c and P_w respectively. The seasonally adjusted total, manufacturing, and final product indices of industrial production were taken from *Federal Reserve Bulletins*, converted to a common base period, and detrended so as to measure only business fluctuations. They are designated I_t, I_m, *and* I_f, respectively. The federal minimum wage designated W_m has been expressed as a monthly series with changes occurring only in the month the changes went into effect. The real minimum wage, X, is W_m divided by a price index.

[4] The unemployment elasticity measures the percentage changes in the unemployment rate when the real federal minimum wage changes by 1 percent and is expressed in (5) by γ. The model discussed in the text uses the total index of industrial production for I and the minimum wage divided by the wholesale price index for X.

[5] Other specifications of the model were used with different independent variables. For instance, instead of deflating the nominal minimum wage by the wholesale price index, it was deflated by the consumer price index. Also, instead of using the total index of industrial production to remove business fluctuations, the indices pertaining to manufacturing and final products were used. By using these variables, four models were generated. An inspection of the Durbin-Watson statistics showed the error terms to be serially correlated. An adjustment with partial first differences raised the Durbin-Watson statistics to acceptable levels. See Theil and Nagar (1961) for a description of the technique. Of the 28 unemployment elasticities for January 1954–December 1965, only five were not significant at the 5 percent level. Models which used the minimum wage deflated by the wholesale price index yielded slightly higher elasticities for white teens while models using the minimum wage deflated by the consumer price index yielded slightly higher elasticities for nonwhite teens. The complete results are available from the author on request.

[6] For the specifications mentioned in n. 5, all 84 lag estimates of 8 months or more are significant at the 5 percent level.

[7] The same relationships exist between the elasticities estimated with the other specifications of the model mentioned in n. 5.

Footnotes at end of article.

Mr. DOMENICI. Mr. President, I send an unprinted amendment to the desk and ask to have it stated.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

On page 17, line 20, strike out "July 1, 1974" and insert in lieu thereof "January 1, 1975".

On page 17, line 24, strike out "July 1, 1975" and insert in lieu thereof "January 1, 1976".

On page 18, line 3, strike out "July 1, 1976" and insert in lieu thereof "January 1, 1977".

The PRESIDING OFFICER. Without objection, the amendments will be considered en bloc.

Mr. DOMENICI. Mr. President, as I understand it, both managers of the bill, the majority and minority managers, see the wisdom of this change. It is not a substantive change in the retail service establishment section.

It merely recognizes the fact that in the bill as drafted, we begin to impose the lower dollar amounts starting on July 1 of this year.

My bill would merely add 6 months to each of those scheduled, built-in diminutions so that instead of July 1, 1974, it would be January 1, 1975. Instead of July 1, 1975, it would be January 1, 1976. And instead of July 1, 1976, it would be January 1, 1977.

I think that it is obvious that bills such as this take a long time in Congress before they become effective. Many times the dates are right upon the businessmen before they realize it. We are saying that the intent of the bill is to permit the establishments to live up to it. If we do not add 6 months, there will be no opportunity for the retail outlets to adjust to what is just ahead of them. The first date will be here before the bill is passed.

It is prudent to give an additional 6 months in changes like this to the small outlets and those who are subject to the law on the basis of $225,000 in gross sales instead of the amount that it had been, $250,000.

I think it gives an advance warning.

Mr. WILLIAMS. Mr. President, the present act contains a number of provisions which provide flexibility in the application of minimum wage rates to certain workers. Thus, under the present law:

First. Under special certificates full-time students may be employed at 85 percent of the applicable minimum wage in covered retail and service establishments and on covered farms.

Second. No minimum wage or overtime standard applies to workers in seasonal recreational and amusement establishments. This is an industry which employs many young people and such employment continues to be outside the scope of the Fair Labor Standards Act.

Third. For noncovered retail and service enterprises, no wage-hour standards apply.

Fourth. In agriculture, youths 16 and under may be paid less than the appli-

cable minimum hourly wage, provided that they are paid at the same piece rates as adults.

Fifth. The act continues to provide for a certification program for learners, apprentices, and messengers at less than the minimum wage pursuant to regulations issued by the Secretary of Labor.

This is not intended as an exhaustive list. It is designed to show the wide astunity for the retail outlets to adjust to sortment of activities that will remain either outside the scope of the act or for which student or learner rates are allowed under a certification procedure.

The committee gave the most careful consideration to these provisions of the law, and to proposals to establish an across-the-board youth differential.

The committee bill adds educational institutions to those activities which are currently permitted to employ full-time students under special certificates issued pursuant to regulations of the Secretary of Labor at a rate not less than 85 percent of the applicable minimum wage.

The bill will also provide a minimum wage and overtime exemption for students employed by an elementary or secondary school if the employment constitutes an integral part of the school's regular education program provided that the employment satisfies applicable child labor provisions.

Furthermore, with regard to retail and service establishments, up to four students may be hired without the need for the traditional precertification procedure—that is, a finding of no substantial probability of job displacement before the issuance of certificates—or the need to meet the historical experience test concerning the proportion of student hours worked during a base year, as set forth below. If more than four students are hired, the existing precertification procedure will continue to apply and the proportion of student hours of employment—including for this purpose the first four students—to total hours of employment of all employees, shall not exceed such proportion for the corresponding 12-month period before the establishment was covered by the act.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the name of the Senator from Ohio (Mr. TAFT) be added as a cosponsor of the amendment.

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

Mr. DOMENICI. Mr. President, the Senator from Vermont (Mr. STAFFORD) desires to speak. He is not present on the floor at the moment. So, Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that my name be added as a cosponsor of the amendment just offered by the distinguished Senator from New Mexico (Mr. DOMENICI).

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

Mr. TAFT. Mr. President, although S. 2747 does not propose to reduce the $250,000 enterprise dollar volume test as it did last year, it would repeal the "establishment" exemption for small retail and service stores which gross less than $250,000 annually, but which are part of that "enterprise" which does exceed that figure. This approach would extend the Fair Labor Standards Act to 662,000 employees in small retail and service stores. In this connection, it should be noted that inflation since 1961, when this exemtion was established, has already operated to extend coverage down to small businesses which have grossed only $171,500 annually.

The committee approach on this subject will severely affect small chain stores; none of the large, well-known chains would be effected, because each of their stores have annually exceeded the $250,000 cutoff for the exemption currently in the act. These small chain stores are located in small, rural communities primarily in the South and West. Elimination of this exemption will increase the existing pressures on small chains to consolidate and shift location to larger urban areas. This result will reduce job opportunities in, and damage the economies of, many small rural communities. Given the current plight of rural America and the great obstacles such businesses must overcome with regard to the energy crisis, I think it is a mistake for the Congress to proceed on the schedule for elimination of this exemption as proposed in the committee bill. The proposed amendment would establish the following phasein for these small businesses from $250,000 to $225,000 by January 1, 1975 in lieu of July 1, 1974; from $225,000 to $200,000 by January 1, 1976 in lieu of July 1, 1975; complete elimination and phasein from $200,000 by January 1, 1977 in lieu of July 1, 1976, I, therefore, am delighted to see that the committee chairman will accept the amendment offered by the Senator from New Mexico and myself.

Mr. DOMENICI. Mr. President, I yield back the remainder of my time.

Mr. JAVITS. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment offered by the Senator from New Mexico.

The amendment was agreed to.

Mr. HELMS. Mr. President, I call up my unprinted amendment which is at the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be read.

The second assistant legislative clerk read as follows:

On page 14, beginning with line 3, strike out through line 4 on page 15 and insert in lieu thereof the following:

"'(k) No public agency shall be deemed to have violated subsection (a) by employing any employee engaged in fire protection or law enforcement activities (including security personnel in correctional institutions) for any workweek in excess of the maximum workweek applicable under subsection (a)'".

Mr. HELMS. Mr. President, I ask unanimous consent that the Senator from Colorado (Mr. DOMINICK) and the Senator from Ohio (Mr. TAFT) be added as cosponsors of my amendment, which is at the desk.

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

Mr. HELMS. Mr. President, there is serious concern in my State, and in many other States about the extension of the overtime provisions of the Fair Labor Standards Act to certain categories of municipal employees, namely, firemen and policemen.

The traditional terms of employment for firemen provide for a 56-hour average duty week—24 hours on duty, 48 hours off—an arrangement which firemen have always preferred to a straight 40-hour workweek. This allows the literally hundreds of thousands of firemen throughout the country to supplement their income by maintaining another job.

By accepted standards, fire department personnel spend a small percentage—1 to 3 percent—of their onduty hours in response to fire alarms and a far greater part—a minimum of 67 percent—of their time in a standby capacity.

The adoption of provisions which would phase in overtime pay would completely disrupt all existing labor contracts and could force local governments to choose one of several options, none of which are satisfactory. Local governments could:

First, increase tremendously the property tax burden or find some other source of revenue; or

Second, reduce the level of service provided by fire departments by simply reducing manpower and/or equipment and fire stations; or

Third, revert paid fire departments to volunteer fire departments with just enough paid firemen to drive the trucks to the fire; or

Fourth, reduce the level of service in some other functions of municipal government to make funds available for increased personnel costs in the fire departments; or

Fifth, apply revenue sharing funds to meet these wage increases, which would substantially negate the advantage of these funds to municipalities; or

Sixth, a combination of the above.

To ask the municipalities to reduce the hours required is a near impossible alternative for administrative and financial reasons. The reduction would require an additional reduction in the number of personnel, thereby compounding the costs for salaries, fringe benefits, uniforms, training and the like. It would also necessitate an alteration of the administrative structure of the fire department, requiring additional higher echelon supervisory personnel. It is almost impossible to estimate the actual cost that would be incurred by this but a 10- to 15-percent increase in the present cost of fire protection would not be unlikely.

According the North Carolina League of Municipalities, a municipality's growth and revenue would permit an average reduction of 4 hours every 5 years. In other words, a city with a 48-hour average week for firemen would require 6 years to drop to a 40-hour average without an excessive burden on its revenue. For instance, the city of Raleigh, N.C., with a 60-hour workweek, would require as

much as 15 years to make the necessary reductions.

Mr. President, I ask unanimous consent to have printed in the RECORD several tables prepared by the North Carolina League of Municipalities. The first two tables—exhibit A–1 and A–2—demonstrate the adverse fiscal impact of extending coverage of the overtime provisions to firemen. The second table—exhibit B—lists the average workweek of full-time fire personnel in towns and cities in North Carolina with a population over 2,000.

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

EXHIBIT A–1

FIRE PERSONNEL PAYROLL AND WORK HOURS, SAMPLE OF CITIES OVER 14,000 POPULATION, JAN. 1 ,1973—NORTH CAROLINA

City	Population	Total in department	Annual payroll	Workweek (hours)	Overtime policy
Charlotte	241,178	483	$4,807,750	52	Civil emergency.
Durham	95,438	136	1,257,619	56	Hourly pay.
Lenoir	14,705	29	205,000	72	None.
Raleigh	121,577	263	2,193,813	60	Compensatory leave.
Rocky Mount	34,284	65	438,046	66	$2 per hour.
Salisbury	22,515	44	291,500	68	None.
Shelby	16,328	29	195,976	66	Straight time.
Thomasville	15,230	27	181,618	68	None.

EXHIBIT A–2

ADDITIONAL ANNUAL PAYROLL AT TIME AND A HALF (HOURS PER 28 DAYS) [1] BASED ON JAN. 1, 1973, ANNUAL PAYROLL—NORTH CAROLINA

City	192	184	176	168	160	Cumulative 5-yr cost
Charlotte	$170,634	$255,591	$341,268	$426,586	$511,902	$1,705,981
Durham	83,036	103,795	124,554	145,313	166,072	622,770
Lenoir	31,576	34,208	36,839	39,470	24,102	184,195
Raleigh	202,239	235,946	269,652	303,359	337,066	1,348,262
Rocky Mount	55,037	61,152	67,267	73,382	79,498	336,336
Salisbury	39,494	43,443	47,393	51,342	55,292	236,564
Shelby	24,684	27,427	30,170	32,913	35,655	150,849
Thomasville	24,624	27,086	29,549	32,011	35,474	148,744

[1] Assuming a zero inflation rate.

EXHIBIT B

AVERAGE WORKWEEK OF FULL-TIME FIRE PERSONNEL, TOWNS OVER 2,000 POPULATION, JAN. 1, 1973—NORTH CAROLINA

Hours	Number
2,000 to 5,000:	
40	3
44	1
48	2
56	2
60	1
68	1
72	3
76	1
78	1
84	5
No report	2
N	22
5,000 to 10,000:	
42	1
48	2
60	1
68	1
72	3
84	12
No report	9
N	29
10,000 to 20,000:	
40	1
56	1
60	1
66	1
68	2
70	1
72	8
76	1
78	1
84	1
No report	1
N	19
20,000 plus:	
52	1
56	3
60	2
62	2
66	4
68	1
72	6
N	19

Mr. HELMS. Mr. President, according to information provided by the National League of Cities, the overtime provision for the first year would cost Los Angeles $20 million; Detroit $15 million; Chicago $7 million; Salt Lake City $1.1 million; Minneapolis $1.5 million; Corpus Christi $820,000; Houston $4.5 million; St. Paul $1 million; and it would cost the 11 largest cities in the State of Washington an additional 45 percent of their present spending levels.

Should this provision become law, it would place many of our cities in an untenable position. We would in effect be asking our cities to pay the additional costs out of existing funds, to raise taxes, or use their revenue sharing funds to pay for these basic citizen services, which would substantially negate the advantage of that program.

There is no question that our firemen and policemen deserve equitable compensation. If this amendment were accepted, it would not alter the regular minimum wage for these individuals. It would simply exempt them from the coverage of the so-called overtime requirements of the act. We must be practical in our approach. To impose unrealistic wage standards on our municipalities in this regard would be an injustice to the millions of Americans who depend on them for basic and essential services. Such action would, in my view, retard the effectiveness of the level of government closest to the people.

The Secretary-Treasurer of the North Carolina Council of Fire Service Associations has advised me that he opposes the inclusion of firemen within the purview of the so-called overtime provision of the Fair Labor Standards Act. He believes that to do so would disrupt the economic pattern of most fulltime firemen. This is true because it is believed that most municipalities would take the position that they could not afford to allow firemen to work overtime at the rate of one and one-half times their base rate. Many municipalities currently do allow such employees to work longer than 40 hours per week at the regular rate.

Therefore, to include firemen in this provision would have the practical effect of reducing their income. I suggest that this same consideration is equally applicable to other areas of the country.

Mr. President, I reserve the remainder of my time.

Mr. JAVITS. Mr. President, I yield myself as much time as I may need in opposition.

The question is whether any overtime provision whatever shall be made for these particular employees—that is, firefighters and security forces.

Our position, Mr. President, is, indeed, expressed in the bill's provisions for phasing in an overtime standard. That standard begins with a 48-hour week and gradually, over a 5-year period, goes down to the 40-hour standard. The standard of the 40-hour week, and later the 40-hour week is applicable over the average of 4 weeks. The averaging provision remains and continues. Even when we get to a 40-hour week it still remains a 28-day average.

The point is that this is not a matter of firefighters or security employees not being available for the various kinds of duties which the public interest requires. It is a matter of whether they are being paid for it. They are workers like any other workers and are being covered under the Fair Labor Standards Act and, therefore, theoretically at least, should be entitled to overtime pay under the law like any other worker. Indeed, the whole tendency has been to extend general worker status to these employees on a continuing basis.

We realize that, as this area has not been subject to the Fair Labor Standards Act, some time to conform has to be introduced, and we realize also that the particular employees have not gotten the same benefits as the rank and file of employees outside of these particular services. So we provided a phase in period, with 4-years for adjustment, and we have permitted the averaging of the 40-hour week over 4 weeks continuously on a permanent basis. In addition, we lock in a matter which is referred to in the committee report on page 25—that is, a provision dealing with sleeping and eating periods which is part of the rules of the Department of Labor for those who work 24-hour shifts, like a great many of the firefighters.

Therefore, the need to exempt hours for sleeping, and the hours for mealtimes has been recognized by regulation and the committee intends that this regulation be applicable under our particular statute, if this becomes law. There has been allowed by regulation the 8-hour sleeping and eating period. The whole 8-hour time is not charged, therefore, in any overtime calculation, unless the period for sleep is under 5 hours in that particular day.

Now that will make for a considerable financial saving in respect of the units which have 24-hour duty for many municipalities.

The fundamental point is this, that we recognize that policemen and firemen are workers, just like other workers. We do allow a time for phasing in and we recognize the different nature of their employment in terms of the averaging provision, so there is no reason, in terms of compensation, why they should not get overtime pay for extra work outside of the normal hours. This amendment would propose to do that. The point I wish to emphasize here is that we are not passing on the economy of the localities. Indeed many localities may claim that they are being hurt materially and financially by coverage of any of their employees under the minimum wage but we are looking now to justice to the individual firefighter or to the security employee. We say that justice requires they shall be given comparable treatment to that of other workers. If we are going to do that, we simply have to recognize the overtime element as also an element of this kind of treatment, too.

For all those reasons, Mr. President, we oppose the amendment and hope that it will be rejected.

Mr. HELMS. Mr. President, I know that the distinguished Senator from New York is perfectly sincere in his observations, but I would say to him that he is thrusting on the firemen of this country something that they do not want. It is not justice, or whatever we wish to call it. They like the system they have now. It is compatible with municipal finances. In every way it should be left alone.

Mr. President, I ask for the yeas and nays on my amendment.

There was not a sufficient second.

Mr. HELMS. Mr. President, in that case, I suggest the absence of a quorum.

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

Mr. HELMS. On my time.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

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

Mr. WILLIAMS. Mr. President, this amendment seeks to exclude firefighters from the overtime coverage of the act. Its proponents have argued that the unique 24-hour shift schedule, worked by firemen makes it impossible and unfeasible to include them within its overtime coverage.

The committee was cognizant of the specific problems firemen face when it chose to include them under the act's overtime coverage.

The bill, therefore, includes a special overtime standard for law enforcement and fire protection employees.

For such workers, if there is an agreement, or understanding between the employer and its employees, the bill provides for a standard work period of 28 days instead of the basic standard of a 7-day week for purposes of determining overtime compensation.

Time and one-half the regular rate of pay would be required for all hours over 192 in the 28-day period the first year; over 184 during the second year; over 176 in the third year; over 168 in the fourth year; and over 160 in the fifth year and thereafter.

This phasing in of overtime coverage is consistent with the way Congress has handled new overtime coverage in the past.

The committee also examined the problems posed by the 24-hour shift.

The matter of hours worked during such shifts has, we believe, been satisfactorily treated by the Secretary of Labor. The regulations promulgated by the Secretary permit up to 8 hours of sleeptime and mealtime allowances to be excluded from calculating actual "hours worked."

The committee believes that these regulations adequately allow for the unique work schedules of firefighters while providing for those who daily protect our lives the basic protections of the Fair Labor Standards Act. We believe that these employees are entitled to the same protection of the act as we are affording all other State and local government employees.

I urge the Senate to reject this amendment.

Mr. TOWER. Mr. President, I strongly support the efforts of Senator HELMS in moving to delete the bill's provisions relating to overtime pay for policemen and firemen. Besides the questionable constitutionality of this provision and the arguments that apply to the entire bill that are equally as relevant to this provision, I feel there is an additional compelling reason to delete this section.

Just to give my colleagues an example, I have been informed by city officials in Dallas that this extension of overtime coverage for firemen will cost that city $6 million in its first year.

Mr. President, the city of Dallas receives approximately $13 million in revenue-sharing funds. It is just a little ridiculous to face city governments to adjust their local budgets to the Fair Labor Standard Act at a time when we are supposedly for the first time offering to these cities Federal funds in such a manner that allows them to set their own priorities.

I have been convinced that the bill's provision will prove detrimental to the policemen and firemen that our cities and their citizens so heavily depend. Rather it will hamstring the effectiveness of the police force and firemen, forcing them to reconsider any part-time work they may have and forcing the cities to perhaps layoff some of these workers—which would be disastrous to our cities.

Mr. President, I urge adoption of the amendment.

Mr. CRANSTON. Mr. President, I know that many firefighters in California are concerned that the public safety employees' overtime provisions of S. 2747, the minimum wage bill, may threaten the present system in many California communities of working 24-hour tours of duty.

I have received many letters and calls from firefighters expressing their views that they do not want to see the present system changed.

I want to assure the firefighters of California that the public safety employees' overtime provisions will not mandate an end to the present system of working 24-hour tours of duty. The bill leaves that issue as a matter of negotiation between the firefighters and their employers.

The Committee on Labor and Public Welfare carefully prepared the overtime provisions for public safety workers to make it possible for employers and public safety employees to agree to a standard work period of 28 days instead of the basic standard 7-day week for purposes of determining overtime compensation.

It is important to understand that shifting to a 28-day work period for computing overtime produces different results than using the 7-day, 40-hour work week, for computing overtime.

The committee has made clear that the present regulations of the Department of Labor with respect to 24-hour work shifts are to be followed. These regulations provide that the employer and the employee may agree to exclude bona fide sleeping periods—up to 8 hours—and bona fide meal periods from computing the number of hours worked for purposes of overtime compensation.

The bill would provide a time and a half rate for hours in excess of 160 in a 28-day period instead of hours worked in excess of 40 hours in the normal week.

The 160-hour provision, however, does not become applicable immediately. Rather, the bill starts the overtime compensation running at 192 hours the first year, 184 hours the second year, 176 hours the third year, 168 hours the the fourth year, and then beginning the fifth year, 160 hours.

Under the committee bill, a firefighter who presently works a 56-hour week on 24-hour shifts will be able to negotiate an agreement to have overtime com-

pensation computed on a 28-day work period basis. He will work 240 hours during the 28-day period, but 80 hours of rest period time can be excluded from the total number of hours worked. As a result, he will not have worked in excess of 160 hours within the 28-day period.

Another way to see how the committee bill preserves the 24-hour tour of duty for firefighters is to count the number of 24-hour shifts a firefighter works during a 28-day period before he draws overtime compensation.

During the first year, the firefighter works 12 shifts without overtime compensation, 11½ the second year, 11 the third year, 10½ the fourth year, and 10 the fifth year and thereafter.

If the firefighter's rest is interrupted by fire calls so that he cannot get 5 hours of uninterrupted rest, he must be paid overtime for those hours worked. I believe this to be fair.

I ask unanimous consent that the relevant pages of the report of the Committee on Labor and Public Welfare on S. 2747 be included in the RECORD.

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

EXCERPTS FROM SENATE REPORT 93-690 TO ACCOMPANY S. 2747

STATE AND LOCAL

There are a number of reasons to cover employees of State and local governments. The Committee intends that government apply to itself the same standards it applies to private employers. This principle was manifested in 1972 when the Senate overwhelmingly voted to apply Federal equal employment opportunity standards to public sector employers. Equity demands that a worker should not be asked to work for subminimum wages in order to subsidize his employer, whether that employer is engaged in private business or in government business. The Senate has also applied wage ceilings to the wages paid public employees. The Committee sees no reason, therefore, why these employees should not be protected by the wage floor provided by the FLSA.

The Committee believes that there is no doubt that the activities of public sector employers affect interstate commerce and therefore that the Congress may regulate them pursuant to its power to regulate interstate commerce. Without question, the activities of government at all levels affect commerce. Governments purchased goods and services on the open market, they collect taxes and spend money for a variety of purposes. In addition, the salaries they pay their employees have an impact both on local economies and on the economy of the nation as a whole. The Committee finds that the volume of wages paid to government employees and the activities and magnitude of all levels of government have an effect on commerce as well.

The Committee anticipates that the financial impact on local government units will be minimal.

The Department of Labor has supplied the Committee with figures on impact of minimum wage coverage on state and local governments. They indicate that the cost of increasing state and local employees covered in 1966 and those covered in this bill to $1.80 per hour will be .3% of the annual wage bill or $128,000,000. The following year, there will be a .5% increase in the annual wage bill or $162,000,000.

The Committee has also made an effort to minimize any adverse effects of overtime requirements by providing for a phase-in of those public employees who are most frequently required to work more than forty hours per week, the public safety and fire fighting employees.

The bill includes a special overtime standard for law enforcement and fire protection employees including security personnel in correctional institutions. For such workers, if there is an agreement or understanding with their employers the bill provides for a standard work period of 28 days instead of the basic standard of a 7-day week for purposes of determining overtime compensation. Time and one-half the regular rate of pay is required for all hours over 192 in the 28-day period during the first year; over 184, during the second year; over 176, during the third year; over 168, during the fourth year; and over 160 hours at the beginning of the fifth year and thereafter.

The question of treatment of employees who work 24 hour shifts was raised in the Committee. The matter of hours worked for such employees has been treated by the Secretary of Labor for many years with respect to 24 hour shift operations of nonpublic workers such as telephone and power company employees and watchmen. These regulations state the following:

INTERPRETATIVE BULLETIN ON HOURS WORKED

Sleeping time and certain other activities

Section 785.22. DUTY OF 24 HOURS OR MORE.

(a) GENERAL.—Where an employee is required to be on duty for 24 hours or more, the employer and the employee may agree to exclude bona fide meal periods and a bona fide regularly scheduled sleeping period of not more than 8 hours worked, provided adequate sleeping facilities are furnished by the employer and the employee can usually enjoy an uninterrupted night's sleep. If sleeping period is of more than 8 hours, only 8 hours will be credited. Where no expressed or implied agreement to the contrary is present, the 8 hours of sleeping time and lunch periods constitute hours worked. (*Armour* v. *Wantock*, 323 U.S. 123 (1944); *Skidmore* v. *Swift*, 323 U.S. 134 (1944); *General Electric Co.* v. *Porter*, 208 F. 2d. 805 (C.A. 9, 1953), cert. denied, 347 U.S. 951, 975 (1954); *Bowers* v. *Remington Rand*, 64 F. Supp. 620 (S.D. Ill. 1946), aff'd 159 F. 2d 114 (C.A. 7, 1946), cert. denied 330 U.S. 843 (1947); *Bell* v. *Porter*, 159 F. 2d 117 (C.A. 7, 1946), cert. denied 330 U.S. 813 (1947); *Bridgeman* v. *Ford, Bacon & Davis*, 161 F. 2d 962 (C.A. 8, 1947); *Rokey* v. *Day & Zimmerman*, 157 F. 2d 736 (C.A. 8, 1946); *McLaughlin* v. *Todd & Brown, Inc.*, 7 W.H. Cases 1014; 15 Labor Cases para. 64, 606 (N.D. Ind. 1948); *Campbell* v. *Jones & Laughn*, 70 F. Supp. 996 (W.D. Pa. 1947).

(b) INTERRUPTIONS OF SLEEP.—If the sleeping period is interrupted by a call to duty, the interruption must be counted as hours worked. If the period is interrupted to such an extent that the employee cannot get a reasonable night's sleep, the entire period must be counted. For enforcement purposes, the Divisions have adopted the rule that if the employee cannot get at least 5 hours' sleep during the scheduled period the entire time is working time. (See *Eustice* v. *Federal Cartridge Corp.*, 66 F. Supp. 55 (D. Minn. 1946).)

The Committee intends this regulation to be applicable to the numerous local firefighting units which work 24 hour shifts. It is the Committees' expectation that the Secretary of Labor will exclude from "hours worked" calculations, those regularly scheduled bona fide meal periods and sleeping periods of not more than eight hours which either the employer and employee expressly agree are regularly scheduled meal and sleep periods, or, where no such express agreement exists, which can be assumed to be implicitly agreed upon by the employer and employee on the basis of the existence over a reasonable period of time of regularly scheduled meal and sleeping periods.

Mr. DOMINICK. Mr. President, as a cosponsor of Senator HELMS' amendment, I have heard from a number of cities in my State. They all oppose the provision in the committee bill and would support the amendment.

As an example of this problem, I commend to my colleagues the very informative letter from Mr. Linrothe, director of the city of Aurora, in my home county. I sincerely hope that this problem will be alleviated by adoption of Senator HELMS' amendment, and I ask unanimous consent that the letter to which I have referred be printed in the RECORD.

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

FEBRUARY 26, 1974.

Hon. PETER H. DOMINICK,
U.S. Senate, Old Senate Office Building, Washington, D.C.

DEAR SENATOR DOMINICK: We would appreciate the opportunity of expressing some of our thoughts on the proposed legislation extending fair labor standards to fire and police personnel.

In particular, we oppose reduction of the firemen's normal work week to 48 hours, with further scheduled reductions of two hours each year over the next four years to bring their work week eventually down to 40 hours. This would represent a decrease in hours of an immediate 14 percent, and eventually almost 30 percent from Aurora's present 56 hour week.

If overtime is paid beyond 48 hours and our 56 hour work week is retained, gross pay would increase 25 percent initially. When the normal work week settles at 40, overtime would cause gross pay to increase a prohibitive 60 percent if we stayed with a 56 hour week. If additional personnel were to be hired in order to maintain present manning levels at straight time pay, a 30 percent increase in manpower would be required for the 40 hour work week. This would cost the City of Aurora close to $500,000 with no tangible increase in the present level of fire prevention and protection service.

All these effects would be inflationary and would increase competition for scarce municipal revenues during a period of economic slowdown. Although a national fire fighting union is reputedly backing the reduction in the work week for fire personnel, most firemen in the Metro Denver area do not favor this change. Denver firemen, for example, are attempting to persuade their city to restore the 56 hour week abandoned January 1974 for a 48 hour schedule in the anticipation of passage of this legislation next year. Reduction of the fire service work week to 40 hours inevitably means abandonment of the 24 hour shift and its valued practice of consecutive days off.

This, like all other legislation affecting the local budget, requires a provision for the effective date to be postponed at least two years in order to effectively incorporate it into local government budgets.

Sincerely,

R. N. LINROTHE,
Director.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. HELMS. Mr. President, I yield back the remainder of my time.

Mr. JAVITS. Mr. President, I yield myself one-half minute to say that I think the Senator from New Jersey (Mr. WILLIAMS) wishes to be heard on this matter. I, therefore, suggest the absence of a quorum, on my time.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

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

Mr. WILLIAMS. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment of the Senator from North Carolina. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Michigan (Mr. HART) and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

Mr. HUGH SCOTT. I announce that the Senator from Kentucky (Mr. COOK), the Senator from Arizona (Mr. GOLDWATER), and the Senator from Michigan (Mr. GRIFFIN) are necessarily absent.

I further announce that, if present and voting, the Senator from Kentucky (Mr. COOK) would vote "nay."

I further announce that the Senator from Connecticut (Mr. WEICKER) is absent due to death in the family.

The result was announced—yeas 29, nays 65, as follows:

[No. 62 Leg.]

YEAS—29

Baker	Dole	McClellan
Bartlett	Dominick	McClure
Beall	Ervin	Nunn
Bellmon	Fannin	Roth
Bennett	Gurney	Scott, William L.
Biden	Hansen	Taft
Brock	Hartke	Talmadge
Cannon	Hatfield	Thurmond
Cotton	Helms	Tower
Curtis	Hruska	

NAYS—65

Abourezk	Gravel	Montoya
Aiken	Haskell	Moss
Allen	Hathaway	Muskie
Bayh	Hollings	Nelson
Bentsen	Huddleston	Packwood
Bible	Hughes	Pastore
Brooke	Humphrey	Pearson
Buckley	Inouye	Pell
Burdick	Jackson	Percy
Byrd, Harry F., Jr.	Javits	Proxmire
Byrd, Robert C.	Johnston	Randolph
Case	Kennedy	Ribicoff
Chiles	Long	Schweiker
Church	Magnuson	Scott, Hugh
Clark	Mansfield	Sparkman
Cranston	Mathias	Stafford
Domenici	McGee	Stennis
Eagleton	McGovern	Stevens
Eastland	McIntyre	Stevenson
Fong	Metcalf	Tunney
Fulbright	Metzenbaum	Williams
	Mondale	Young

NOT VOTING—6

Cook	Griffin	Symington
Goldwater	Hart	Weicker

So Mr. HELMS' amendment was rejected.

Mr. JAVITS. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. WILLIAMS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. BUCKLEY. Mr. President, I was going to offer an amendment that would strike the provisions——

The PRESIDING OFFICER. Who yields time?

Mr. BUCKLEY. Mr. President, I will call up an amendment and then work on that time.

The PRESIDING OFFICER. The clerk will state the amendment.

The second assistant legislative clerk proceeded to read the amendment.

Mr. BUCKLEY. Mr. President, I ask unanimous consent that further reading of the amendment be suspended.

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

The amendment (No. 997) is as follows:

On page 3, beginning with line 14, strike out through line 20 on page 9.

On page 9, line 22, strike out "Sec. 6." and insert in lieu thereof "Sec. 5.".

On page 16, line 7, strike out "Sec. 7." and insert in lieu thereof "Sec. 6.".

On page 17, line 20, strike out "Sec. 8." and insert in lieu thereof "Sec. 7.".

On page 18, line 8, strike out "Sec. 9." and insert in lieu thereof "Sec. 8.".

On page 20, line 8, strike out "Sec. 10." and insert in lieu thereof "Sec. 9.".

On page 21, line 8, strike out "Sec. 11." and insert in lieu thereof "Sec. 10.".

On page 21, line 22, strike out "Sec. 12." and and insert in lieu thereof "Sec. 11.".

On page 22, line 11, strike out "Sec. 13." and insert in lieu thereof "Sec. 12.".

On page 24, line 6, strike out "Sec. 14." and insert in lieu thereof "Sec. 13.".

On page 24, line 20, strike out "Sec. 15." and insert in lieu thereof "Sec. 14.".

On page 25, line 10, striwe out "Sec. 16." and insert in lieu thereof "Sec. 15.".

On page 25, line 18, strike out "Sec. 17." and insert in lieu thereof "Sec. 16.".

On page 26, line 11, strike out "Sec. 18." and insert in lieu thereof "Sec. 17.".

On page 27, line 9, strike out "Sec. 19." and insert in lieu thereof "Sec. 18.".

On page 28, line 8, strike out "Sec. 20." and insert in lieu thereof "Sec. 19.".

On page 32, line 10, strike out "Sec. 21." and insert in lieu thereof "Sec. 20.".

On page 33, line 21, strike out "Sec. 22." and insert in lieu thereof "Sec. 21.".

On page 35, line 12, strike out "Sec. 23." and insert in lieu thereof "Sec. 22.".

On page 36, line 10, strike out "Sec. 24." and insert in lieu thereof "Sec. 23.".

On page 42, line 12, strike out "Sec. 25." and insert in lieu thereof "Sec. 24.".

On page 45, line 2, strike out "Sec. 26." and insert in lieu thereof "Sec. 25.".

On page 46, line 4, strike out "Sec. 27." and insert in lieu thereof "Sec. 26.".

On page 46, line 22, strike out "Sec. 28." and insert in lieu thereof "Sec. 27.".

On page 51, line 13, strike out "Sec. 29." and insert in lieu thereof "Sec. 28.".

Mr. BUCKLEY. Mr. President, I will not call up the amendment for a vote. I did want to call the Senate's attention to one situation as it affects Puerto Rico. My amendment would strike those provisions which would bring Puerto Rico under the law as it applies to the mainland.

Mr. President, I am concerned over the provisions that would bring Puerto Rico within the minimum wage law that is applicable to the mainland.

One reason for my concern is that last September, the President of the United States and the Governor of Puerto Rico created an Ad Hoc Advisory Group on Puerto Rico pursuant to the 1967 plebiscite confirming Puerto Rico's status as a Commonwealth. Under its charter, the Advisory Group is given the charge to "inquire into and report and recommend on the extent to which statutory laws—of the United States should apply in Puerto Rico." Among the specific items on the agenda for the Ad Hoc Advisory Group—of which I am a member—is the extent to which U.S. minimum wage laws should be made applicable to the Commonwealth. The position paper presented by the Puerto Rican members of the Advisory Group contains the following.

The nature of the Puerto Rican economy, which differs to such a degree from that of the mainland, calls for ad hoc treatment of the difficult problems raised by this area. Further studies are indicated to identify alternatives that can be submitted to the Advisory Group for its recommendations. The coverage of minimum wage legislation in Puerto Rico should be limited to activities that are actually engaged in interstate commerce. In fixing minimum wages the largest measure of authority should be vested in Puerto Rico. Puerto Rico recognizes that unfair competition with stateside industries and labor should not be established through low wages in Puerto Rico. The authority of Puerto Rico over labor relations matters should be as ample as possible within the framework of the Commonwealth concept.

For the benefit of Members of the Senate who are not familiar with the basis on which Commonwealth status is predicated and within which the Advisory Group is charged to consider the applicability of United States law, it is defined as—

A maximum of self-government and self-determination within the framework of a common defense, a common market, a common currency, and the indissoluble link of the United States citizenship.

I am sure, Mr. President, that members of the committee were unaware of the specific mandate of the Ad Hoc Advisory Group in this particular area, or they might have deferred the incorporation of Puerto Rico under our basic minimum wage law until such time as the Advisory Group could render its report.

My second reason for concern over the inclusion of the Commonwealth in the legislation now under debate, is that it could have, at this particular time, a seriously adverse impact on the Puerto Rican economy and employment.

Puerto Rico currently faces many problems which the United States has already gone a long way toward solving, or which we have been fortunate enough to avoid. Among these are low per capita income, overpopulation, few natural resources, and low educational levels. But by far the largest problem for Puerto Rico is unemployment. The present unemployment rate in Puerto Rico is more than twice that of the United States.

Puerto Rico relies a great deal on outside investment to provide jobs. Most of the firms that locate in Puerto Rico do so because of inexpensive labor, and they use labor-intensive production methods. This is just what Puerto Rico needs. Industries that come in and employ large numbers of people are the best way for Puerto Rico to improve the standard of living for the entire island, gradually upgrading the skills and therefore salaries

of the people. Businesses in the United States, for example, do not automatically establish plants in Puerto Rico if they are seeking a low-wage location. Countries like Korea, Taiwan, Spain, and the Dominican Republic, whose wages make Puerto Rico's look high, have been creating very tough competition for Puerto Rico for capital investment. A concrete example of this is that between 1969–71, Puerto Rico lost 82 firms and 4,641 net jobs in the textile and leather industries alone to foreign competition.

Minimum wages have a much more significant impact on Puerto Rico than they do on the mainland United States. On the mainland, the average hourly earnings in manufacturing is $3.99, or more than twice the current minimum wage. But in Puerto Rico, the minimum wage often forms the average wage. Therefore, increases in the minimum wage require much larger increases in the total wage bill in Puerto Rico than they do in the United States. This means that any effect that the minimum wage laws have in the United States would be greatly magnified for Puerto Rico.

The minimum wage effect that will be all too evident if S. 2747 is enacted unaltered in its treatment of Puerto Rico is unemployment. Because the vast majority of American workers receive wages far above the minimum wage, increases in the minimum have had little effect on the general unemployment rate. But in Puerto Rico, where most of the wages are so close to the minimum, a 25 percent increase in the minimum would mean an almost 25 percent increase in the wage bill of many businesses, if unemployment did not occur. But of course, unemployment would occur. Unemployment would increase not only from easily-observable reductions in present work forces and business relocations in different countries. Probably the most important source of unemployment would be from the businesses that decided not to locate in Puerto Rico and not to expand their operations in Puerto Rico as a result of such legislation. This effect, of course, would be difficult to measure, but economists agree that applying the U.S. minimum wage to Puerto Rico would speed up the current trend for businesses to locate in other low-wage countries instead of Puerto Rico. This is something that Puerto Rico clearly cannot afford. If Puerto Rico presently had little unemployment, and was looking to just maintain the present rate and try for slightly higher wages, S. 2747 would not pose such serious problems for Puerto Rico.

Puerto Rico's labor situation is clearly different from that of the mainland United States. The present Fair Labor Standards Act recognizes that difference, and permits Puerto Rico to establish its own minimum wages. Puerto Rico presently has close to 200 different "industry committees" which review the wages set for each industry and decide on any changes that are warranted. Thus the minimum wage for each industry is set specifically for it. The goal of the committees is to achieve the highest possible wages while maintaining employment and the health of the industries involved. These committees, which are manned by three representatives from each of labor, industry, and the public are able to weigh the unique situation in each industry and then determine the appropriate wages to be set. It is difficult to believe that, first, the Congress of the United States could set minimum wages more sensitively for Puerto Rico than these committees are able to do, and, second, that the Congress has a greater concern for the wage-employment situation in Puerto Rico than the Puerto Ricans do themselves.

Under all these circumstances, Mr. President, I would urge the sponsors to accept my amendment. The Ad Hoc Advisory Group in Puerto Rico is studying the whole topic of the applicability of U.S. minimum wage laws within the context of the Commonwealth's relationship. Let us accept their final recommendations. In the meantime, Puerto Rico's own minimum wage authority will continue to look after the needs of Puerto Ricans.

The point I want to make, Mr. President, is that there is an ongoing process at the present time trying to reexamine various facets of the relationship between the United States and the Commonwealth of Puerto Rico and that this is one of the areas, the area of the minimum wage, which is one of principal concern to our Puerto Rican colleagues.

Under the circumstances, I wish that action in this matter could have been deferred until the ad hoc group could have made a final determination to the Congress.

I realize, however, that there would be no point in taking the Senate's time in asking for a vote on an amendment that would surely be defeated. However, I did want to have the RECORD include reference to this matter.

Mr. President, I withdraw my amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. BUCKLEY. Mr. President, I send to the desk two amendments and ask unanimous consent that they be considered en bloc.

The PRESIDING OFFICER. The clerk will report the amendments.

The second assistant legislative clerk read as follows :

On page 8, line 21, beginning with the word "unless" strike out through "wage" on line 2, page 9, and insert in lieu thereof the following: "unless all available economic and documentary evidence in the record establishes that the industry, or a predominant portion thereof, is unable to pay that wage."

On page 9, line 6, insert after the end parenthesis a comma and the following: "remand for further findings of fact."

The PRESIDING OFFICER. Is there objection to considering the amendments en bloc? The Chair hears none, and it is so ordered.

Mr. BUCKLEY. Mr. President, I have introduced these amendments at the specific request of Puerto Rico's Resident Commissioner, JAIME BENITEZ. He is concerned, as I am, over the fact that the hearings record on this legislation offers no basis that justifies the evidentiary requirements which section 5(c)(1) would impose on industry committees which have been established in Puerto Rico to set minimum wage levels on an industry-by-industry basis.

All covered industries in Puerto Rico will be subject to immediate 12 or 15 cents hourly increases, and equivalent annual increases until the statutory minimum is reached. In addition all covered industries will continue to be reviewed biennally by industry committees which are instructed under section 8(b) of the Fair Labor Standards Act to—

Recommend to the Secretary the highest minimum wage rates for the industry which it determines, having due regard to economic and competitive conditions, will not substantially curtail employment in the industry, and will not give any industry in Puerto Rico or in the Virgin Islands a competitive advantage over any industry in the United States outside of Puerto Rico and the Virgin Islands.

As the record of wage orders recommended by industry committees demonstrates that the committees have, on the whole, fulfilled their statutory mission, I see no justification for including section 5(C)(1) among the proposed amendments to the Fair Labor Standards Act.

The coverage in section 5(c)(1) that is particularly inappropriate to the existing situation in the Commonwealth reads:

Unless there is substantial documentary evidence, including pertinent unabridged profit and loss statements and balance sheets for a representative period of years . . . in the record.

The simple fact is that this requires a level of proof that too few Puerto Rican employers are unable to provide.

Consider what the operative effects of section 5(c)(1) would mean in agriculture where most small farmers do not keep adequate financial records. Failure to satisfy the evidentiary standards would leave an industry committee no alternative but to recommend a wage order applying the national minimum. The result would inevitably be a further decline in agricultural employment, at a time when serious efforts are being undertaken to save agriculture, unless of course the Government of Puerto Rico were prepared to assume the cost of vastly expanding its subsidy program by paying to each covered agricultural employee the difference between what his employer can afford to pay and the minimum wage. The same analysis applies to all covered employment and small enterprises where either poor and inadequate financial records are kept, or it would be next to impossible for many dispersed and small employers to join forces and prepare the kind of financial statement which is required under the proposed amendment to section 8(b).

The language of the bill, if unamended, recognizes, of course, that to have the minimum wage rise too fast could in fact create unemployment and could in fact be damaging both to the employees and to the economy of Puerto Rico.

I believe therefore that it would be appropriate to allow the industry committees to utilize the kind of evidence they currently use in determining the appropriate minimum wages.

Accompanying section 5(c)(1) is section 5(c)(2) which expands judicial review over Industry Committee recom-

mended wage orders and which, equally with section 5(c)(1), should be reconsidered. Section 5(c)(2) would amend section 10(2) of the Fair Labor Standards Act by inserting the following: "(including provision for the payment of an appropriate minimum wage rate)". This could have the effect of transferring the ratemaking power from the industrial committees to the court of appeals, depending on how the scope and intensity of review are actually implemented.

Thus, in any particular case, if the court were to conclude that in the record of the Industry Committee proceedings there was an absence of sufficient "substantial documentary evidence," it would then be duty bound to issue an "appropriate minimum wage rate," which by statutory definition would be the national rate if no further evidence were received by the court. An alternative would be for the court to hear further evidence on which to determine the "appropriate minimum wage rate." Under still another approach it could substitute its judgment for that of the Industry Committee, even when there was a sufficiency of financial evidence, if the court evaluated the significance of the evidence differently. In the initial period of such an amendment, one could almost certainly expect an increase in appeals and consequently of uncertainty with regard to the operative meaning of the statutory criteria, at least until the court clarified the criteria and how it was going to utilize its expanded review power.

My amendment in fact would require simply that rather than have the court place itself in the position of the Industry Committee and ordering a minimum wage level, the matter would be referred back to the appropriate committee for further action.

I would hope that the sponsors of this bill would accept these proposals. I do believe that it would simplify the whole business of achieving an equitable implementation of national standards within the context of realities as they exist in Puerto Rico.

The PRESIDING OFFICER. Who yields time?

Mr. WILLIAMS. Mr. President, I yield myself 3 minutes.

Before I state why I cannot accept this amendment, let me say that the provisions that deal with Puerto Rico in this bill have been worked out over the years with all people having knowledge of and interest in the economy of Puerto Rico. The bill that we have before us, I know, has the support of the Governor, labor, and most of management as well. It has been an exercise that has been long and complicated, but it does reflect broadly a consensus.

Now, dealing with the amendment offered by the Senator from New York, suggested by the Resident Commissioner, the Honorable JAIME BENITEZ, The Resident Commissioner, at the time of our conference on this bill last year, was invited to participate. His attendance was regular; as a matter of fact, his attendance, I think, exceeded that of many of the other members of the conference committee. He had an opportunity to express his viewpoints repeatedly within our conference, and he contributed a great deal then.

Now, this idea of eliminating the requirement under the bill that there be substantial documentary evidence to support the industry committees is, in my judgment, most unwise. We have seen, over the years, what has come up from industry committees for their recommendations which became law within individual industries. I remember the one that gave me the first shock I had involved the hand-sewn glove industry in Puerto Rico. The committee there, without a requirement that there by substantial documentary evidence to support the wage they arrived at, came up with 47 cents an hour.

That was the flashing light that made us look at all of this, and out of it we said that as long as it is part of the procedure to have these industry committees, let them be required to support their conclusions with documented evidence. In view of what I thought were historical abuses, we said substantial documented evidence.

For these reasons, and in view of the fact that the entire Puerto Rican section of coverage has been worked out so painstakingly, again with all interested parties, it is my feeling that this particular provision is so important that I cannot accept the amendment.

The PRESIDING OFFICER. Who yields time?

Mr. BUCKLEY. Mr. President, I yield myself such time as I may require. I would only say that it seems to me that we see here an exhibition of patriotism that seems to be quite inconsistent with the concept of commonwealth, if it does indeed mean a maximum of self-determination and a maximum of self-government, consistent with the criteria of a common market, common defense, common currency, and common citizenship.

I regret that the committee would not wait for the recommendations of the ad hoc group, but I do believe that we ought to assume that the Puerto Ricans are as concerned for the living conditions and wages of Puerto Ricans as the Congress of the United States.

Mr. President, I am ready to yield back the remainder of my time.

Mr. WILLIAMS. I yield back the remainder of my time.

The PRESIDING OFFICER. All remaining time having been yielded back, the question is on agreeing to the amendment of the Senator from New York.

The amendment was rejected.

AMENDMENT NO. 983

Mr. TAFT. Mr. President, I call up my amendment No. 983, and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. TAFT. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with, and that the amendments be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendments will be considered en bloc.

Mr. TAFT's amendment (No. 983) is as follows:

On page 46, line 10, strike the word "paragraph" and insert in lieu thereof "paragraphs".

On page 46, line 20, strike the end quotation marks.

On page 46, insert between lines 20 and 21 the following:

"(3) The Secretary of Labor, the Secretary of Commerce, and the Council of Economic Advisers shall each conduct a study on means to prevent curtailment of employment opportunities among manpower groups which have had historically high incidences of unemployment, such as disadvantaged minorities, youth, elderly, and such other groups the Secretary may designate. Such studies shall include suggestions under the broad authority that the Secretary of Labor has available under section 14 of the Fair Labor Standards Act and shall be transmitted to the Congress at two-year intervals after the effective date of these amendments."

Mr. TAFT. Mr. President, this amendment provides that the Secretary of Labor, the Secretary of Commerce, and the Council of Economic Advisers shall each conduct studies on means to prevent curtailment of employment opportunities to disadvantaged manpower groups which have historically high incidences of unemployment.

One of the concerns that we have is that in adopting increments in the minimum wage, we may well be eliminating employment opportunities for many of our citizens, particularly those in disadvantaged employment categories—youth, veterans, elderly individuals—are representative of manpower categories that may be adversely affected.

Such studies would include consideration of the broad authority that the Secretary of Labor has under section 14 of the act and would be transmitted to the Congress at 2-year intervals after the effective date of these amendments.

I believe such a continuing focus on the unemployment and training problems faced by such individuals is highly desirable from Federal agencies with varying perspectives on this important problem.

For example, the Department of Commerce would be especially helpful with regard to incentives to create more employment positions in the private sector of the economy. The Council of Economic Advisers would be helpful in providing suggested economic policy alternatives for the creation of additional employment opportunities.

A particular problem, although by no means the sole one this amendment is directed at is the towering rate of youth unemployment. This has been a continuing problem over the last 5 to 10 years with very little substantive action in the Congress, or executive branch. The unemployment rate as of January 1974, for caucasians 16 and 17 years of age was 16.8 percent and for noncaucasians 16 and 17 years of age, the rate was a towering 38.9 percent.

These figures and similar ones for other disadvantaged manpower groups simply are not acceptable. Continuing reappraisal is vital in this area—the economic benefits of our economy must not be foreclosed to any manpower category.

It has been suggested, Mr. President,

that the problem here, in the refusal, to date at least, of the committee to accept what I think is a very positive and very helpful amendment, has been that we include in the responsibility for making studies the Secretary of Commerce and the Council of Economic Advisers as well as the Secretary of Labor.

I realize, of course, that the Secretary of Commerce and the Council of Economic Advisers, can be asked to testify. It would be highly desirable to statutorily establish their role, however, in the consideration of amendments to the Fair Labor Standards Act. All sectors of the economy have interests in this important area, not just labor.

Admittedly, as has been stated in the debate today, the Department of Labor last year, stated that they needed $10 million in their budget to do this kind of an economic study and do it adequately. The Department stated they would need that type of additional support. That expertise, in my opinion, already exists within the Department of Commerce and the Council of Economic Advisers, and I see no reason for not having the advice of such experts before the committee. I see no logical reason to not involve the Secretary of Commerce and the Council of Economic Advisers to provide the Congress with important information.

Mr. President, I reserve the remainder of my time.

Mr. JAVITS. I should like to say that we are working something out with a member of the committee who has these studies.

First, to state the problems the amendment raises: First, the requirement for a report from three agencies—not one agency of Government, the agency directly in charge—presents us with the complexity of having a diversity of counsels and therefore the validity of none. In addition, it imposes responsibilities on the Secretary of Commerce, who is not within the jurisdiction of our committee but of the Commerce Committee and of the Council of Economic Advisers. My belief is that they are primarily within the jurisdiction of the Banking, Housing and Urban Affairs Committee. So that I would hope again, in this bill, as we have tried to make it clear to our members, we only deal with what is within our competence. Therefore, I would hope he might consider, notwithstanding his concerns, confining this to the Secretary of Labor.

Second, and perhaps as a trade-off for what he would consider a concession, I would suggest he call for the first report within a 1-year period of time—that is, the first report to come in within 1 year and subsequent reports at 2-year intervals. Then he will have the basis for proceeding promptly.

Third, on line 4, page 2, I would hope he would strike the word "broad." I do not want to expand on or to contract the authority of the Secretary of Labor under section 14 by this amendment. Therefore, let us stick to the word "authority" which is a word of art we all understand. The word "broad" I do not know what it does or what it means, and I hope that he would strike that word.

Lastly, I hope the Senator would accept my assurance and that of the manager of our bill on the majority side that when he gets such a report, and we will see to it that he gets it within a year, making that trade-off as it were, so that he gets a more prompt report, he has a hearing on that report which it will be understood, if he wishes to produce witnesses such as the Secretary of Commerce or his proper representative, or the Council of Economic Advisers or their proper representative we would join to facilitate that.

Now, in answer to the Senator's point that, well, they will not be apprised of the change, they could be notified now, and when this bill has been passed—when, as and if there is a report—there will be a hearing and we will expect them to be prepared for that hearing, that they should coordinate with the Secretary of Labor accordingly.

Now, that is a complete mosaic to deal with the problem. As I say, I should like very much just to go along with the Senator rather than to resist. I hope he might see his way clear to fit all the parts together and work out an amendment which the manager and I could accept.

Mr. TAFT. Mr. President, I yield myself 3 minutes.

First, let me say that I have no intention of changing the authority of the Secretary of Labor under section 14. The use of the word "broad" while I believe a correct interpretation of section 14 authority, could be deleted as the Senator has suggested without changing the intent of my amendment.

As to the first report being due within a year, I have considerable doubt whether the Department of Labor, based on past performance, will be able to come up with an adequate report within a period of a year, but again I have no particular reason not to go along with the Senator's suggestion as to the first report.

Accordingly, I would modify my amendment so as to provide a 1-year interval for the report, and thereafter 2-year intervals, for the effective date of this amendment.

Unfortunately, as to the third suggestion made by the distinguished Senator from New York—and I do appreciate the spirit in which it is made and his desire to accommodate—the problem seems to me to be a more serious one than could be handled merely by having the Department of Commerce and the Council of Economic Advisers come before us and testify on what the Department of Labor's report has shown. They could simply say it is sound or unsound. They would not have had an opportunity to go into it fully.

It is not a jurisdictional problem. I should think, since the matter relates to employment, there would be no question as to the Labor Committee's jurisdiction. Since it relates to labor, there would certainly be Labor Committee jurisdiction. As the ranking minority member of the Manpower Subcommittee, I certainly would be reluctant to admit that another committee should have jurisdiction of these matters.

I cannot go along with at least the requirement that the Secretary of Commerce and the Council of Economic Advisers not be permitted to make these reports.

The PRESIDING OFFICER. Will the Senator from Ohio please send his modification to the desk?

Mr. TAFT. Yes, Mr. President.

On page 46, line 10, strike the word "paragraph" and insert in lieu thereof "paragraphs".

On page 46, line 20, strike the end quotation marks.

On page 46, insert between lines 20 and 21 the following:

"(3) The Secretary shall conduct a study on means to prevent curtailment of employment opportunities among manpower groups which have had historically high incidences of unemployment, such as disadvantaged minorities, youth, elderly, and such other groups the Secretary may designate. Such study shall include suggestions under the authority that the Secretary of Labor has available under section 14 of the Fair Labor Standards Act and shall be transmitted to the Congress one year after the effective date of these amendments and thereafter at two-year intervals after the effective date of these amendments."

Mr. JAVITS. Just to accord the Senator a chance to do that, as far as the Senator from New Jersey and I are concerned, it seems to us that the reports required from three agencies, including the Secretary of Commerce and the Council of Economic Advisers, make it more than likely that such a procedure would be more costly. But really it is a vote of no confidence in the report of the Department of Labor. We do not feel we could incorporate that amendment.

We still hope that the Senator from Ohio might work it out as I have suggested. I think it protects him in everything he wants. But if he does not wish to accept it, I feel that we must oppose the amendment for the very substantive reason I have stated.

I think we would be willing to yield back our time; and if the able Senator from Ohio is prepared to yield back his time, we can go to a vote.

I think Senators are anxious to know whether this is or is not the last amendment. I therefore propose that we suggest the absence of a quorum. Then if the Senator from Ohio were willing to ask unanimous consent that there may be third reading and have the vote on the amendment, the vote may immediately precede the vote on final passage, and we could ask for the yeas and nays. I wonder if that would be satisfactory.

Mr. TAFT. I appreciate the remarks with respect to the matter of convenience of Senators. I have not asked for the yeas and nays on the amendment.

I would express disappointment that the committee has apparently arrived at a decision that they do not want economic data in these vital areas from the Department of Commerce or the Council of Economic Advisers. These departments of Government along with Department of Labor, have the expertise on which to provide constructive economic reports and it is quite unfortunate that the committee cannot accept the amendment.

I see no particular purpose in having a quorum call at this time.

I am advised that there are a couple of other questions that should be raised. I do not think it will be necessary to offer the amendments that have been drafted dealing with those changes. I hope I will get replies to clarify my points of concern.

I am perfectly ready to yield back the remainder of my time and have a voice vote on the amendment.

Mr. JAVITS. If the Senator will allow me, on my time, I should like to say that we are not being arbitrary about economic expertise. In the first place, I doubt that the Senator can show us any statement by the Secretary of Labor that he does not have the economic expertise to make a report of this kind on a labor matter.

Be that as it may, our point is that we cannot impose a duty on the Secretary of Commerce and the Council of Economic Advisers. It is not within our primary legislative oversight and really is a duplication in effort which we would be imposing by this bill, willy-nilly, whether we could do it or not.

As a matter of fact, it might materially hold up any hearing which would get recourse for the very thing the Senator from Ohio wants, because the timing may be very different for all these departments. We may drag along here for months, waiting for the Council of Economic Adivsers, which would probably have to deal with the matter in its annual report, if it would deal with it at all. I think we are striking out in an area where we do not have control or an ability to impose control, and therefore I am really disappointed.

The Senator is disappointed with us, and I am sorry. I am disappointed that the Senator will not make to us the very slight concession which we ask. The ability to get it done the way he wants it done with a hearing is, in my judgment, unquestioned, and I think I have a little experience in these matters. The important thing for the Senator is to get the study amendment, and we gave it to him. But do not make us impose duties on the Secretary of Commerce and the Council of Economic Advisers.

Mr. TAFT. I understand the feelings of the distinguished ranking minority member of the committee on this subject.

I have great and grave doubts that when the Congress considers these matters again a complete report of the Secretary of Labor, based on adequate economic information, will be available, particularly with regard to effects of future amendments to the Fair Labor Standards Act on certain disadvantaged manpower categories.

Perhaps I should modify this amendment to say that the report shall come to the Committee on Labor and Public Welfare. I see no need to do that however. The fact that a department is generally under a particular committee jurisdiction does not prevent it from being required to make reports to other committees. That is done all the time, and I think it could be done here very easily.

However, the Senator has made one excellent point, and I feel so strongly on the issue that, with all the reservations I have made, I am going to reluctantly agree to go along, in order to obtain some type of requirement that there be a report by the Secretary of Labor within a given period of time on this issue.

Accordingly, I modify my amendment to delete the reference to the Secretary of Commerce and the Council of Economic Advisers.

The PRESIDING OFFICER. The amendment will be so modified.

Mr. JAVITS. Mr. President, I yield back the remainder of my time.

Mr. TAFT. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Ohio, as modified.

The amendment, as modified, was agreed to.

Mr. TAFT. Mr. President, the other two matters I have, as I said, I hope can be expeditiously disposed of.

One relates to the new liquidated damages provision in the bill permitting the Department of Labor to recover liquidated damages under the Fair Labor Standards Act. As S. 2747 is drafted, as I understand it, liquidated damages could now be given in a Fair Labor Standards Act case, under the language of the bill, even though the case is brought not by an individual but by the Government.

The PRESIDING OFFICER. Is the Senator submitting an amendment?

Mr. TAFT. No. I am speaking on the bill. I yield myself such time as needed, on the bill.

I would just like to have a comment from the chairman of the committee as to whether or not the good faith defense which exists with regard to liquidated damages cases is in any way modified by this change, or whether it is the intention to leave the broad interpretation of it unchanged, even as to a liquidated damages case which would be brought by the Department of Labor.

Mr. WILLIAMS. The two sections with which the Senator is concerned are 16 (c) and 16(d). There is no change in the application of this good faith defense as it is in the——

Mr. TAFT. That I certainly realize. The question is whether it is now intended to apply as well to the extended jurisdiction for liquidated damages cases. I think it is.

Mr. WILLIAMS. I am certain that it is. The Senator from Ohio can be at ease on that score. The good faith provisions are carried over into these other areas.

The liquidated damages provision in this bill was in the bill introduced by the Senator from Ohio. It has had the support of the administration and was particularly pointed to by the Secretary of Labor when he testified. He felt that this was a very important provision, from his standpoint of administering this law.

Mr. TAFT. I agree with the Senator. I am not disagreeing with him in substance at all. What I am doing is simply trying to make absolutely certain that the broad interpretation that the courts have given to the good faith and reasonable grounds defense in section 11 of the Portal-to-Portal Act of 1947 is unchanged. I just want to make sure certain our intent is clear. I thank the chairman for clarifying the legislative intent.

The other matter on which I would like a clarification relates to the tip credit committee report language.

Under present law, an employer is authorized a tip allowance of up to 50 percent of the minimum wage. The actual amount on which the employer takes a tip credit is determined by the employer, but it must not exceed the employee's tip income. If the employee finds that his employer is taking a tip allowance in excess of his tip income, the employee has a statutory right under the act to appeal to the Secretary of Labor to show that the tip allowance exceeds his tip income. This procedure has worked fairly and equitably in the restaurant, hotel, and motel industries.

The committee bill would delete the words in section 3(n) of the act which allows the employee to challenge the employer's determination and to show that his tip income is less than the amount claimed by his employer.

The committee report states this language is deleted:

> To make clear the original intent of Congress to place on the employer the burden of proving the amount of tips received by tipped employees and the amount of tip credit, if any, which such employer is entitled to claim as to tipped employees. (Page 43 of the Committee Report)

The committee report is inaccurate on this point and nowhere during the 1966 amendments to the Fair Labor Standards Act does the legislative history reflect this intent of Congress. The existing language of the act was presented to the Senate by Senator Yarborough, then chairman of the Committee on Labor and Public Welfare. In discussing the language of section 3(n) on the tip allowance, Senator Yarborough stated:

> As to the mechanics of the provision, the bill permits the employer to make an initial determination of the amount of tips, and, thus, avoid any interference in normal payroll practices. However, it affords safeguards to the employee by permitting him to show, if he can, to the satisfaction of the Secretary of Labor that the actual amount of tips received by him was less than the amount of tips determined by his employer and having his wage adjusted by the difference. CONGRESSIONAL RECORD, Vol. 112, No. 141, August 24, 1966, at p. 19621.

It seems apparent that the change proposed cannot be supported by legislative history as reflected in the committee report.

To place on the employer the burden of proving the amount of tips received by a tipped employee, as the committee report proposes to do, would create great practical problems for an employer and promote friction in employer-employee relations. Such a burden would be entirely unreasonable to place on an employer and, perhaps, subject an employer to lawsuits that he would be practically powerless to adequately defend. Would the committee chairman clarify the comimttee's intent with regard to this subject and provide the rationale for inserting such a procedure in the committee report?

Mr. WILLIAMS. The intent of this provision is to make clear where the

burden of proof rests in legal proceedings. Under current law, the employee who can ill afford legal representation has erroneously been required by one court to meet the burden of proof to the court's satisfaction that the amount of tips he or she actually received was less than the amount claimed by the employer as a tip credit, Shultz against William Lee Hotel Co. The burden is clearly on the employer to provide to a court's satisfaction that the amount of tip credit claimed by such employer was actually received as tips by the employee.

If there was any confusion about the intent, if we went back to the debates of 1966, it should be very clear now that the burden is where it realistically should be. The employer claims the credit. He should have the burden of proving that he is entitled to the credit. That is where it lies.

Mr. TAFT. I cannot agree with the distinguished chairman on that subject. I think the legislative history is clear and having made the statement I made, I think it will leave it in the position I have described as a matter of legislative history.

Mr. DOMINICK. Mr. President, I believe that S. 2747, as reported, contains too many drastic revisions of the Fair Labor Standards Act, and passage by the Senate of the bill in its present form is unwarranted. As I stated last Thursday, and as Senators BEALL, TAFT, and myself pointed out in our minority views, the debate surrounding minimum wage legislation centers around four issues: wage rates, extension of coverage, repeal of exemptions and a differential wage structure for youth. Well, I believe we are close to agreement on wage rates, but the three remaining categories have been treated by the committee with little or no supporting data. Therefore, we introduced an amendment which would have raised the minimum wage—a raise that is needed, while leaving intact the present law with regard to exemptions and extensions.

As reported, the committee bill makes sweeping changes in the existing exemptions and in extensions of coverage. Much of this was done without any evidence of economic impact, and despite the fact that these exemptions and exceptions have much legislative history behind their creation.

Mr. President, the domestic coverage alone would add 1,018,000 employees to the minimum wage. This move was made by the committee despite the fact that it had been unable to obtain "available reliable information." The fact is Mr. President, that the impact of the Senate version will be $572 million in the first year alone for domestics.

I believe, as do many of my colleagues, that such a wage increase rather than benefiting the domestics will substantially reduce employment or the number of hours worked. The impact will be greatest in the South where 40 percent of all domestics are located. Moreover, the domestics situation is only one of the problems which would be created by passage of the committee bill.

For example, this bill would also repeal a variety of minimum wage and overtime exemptions which have been established with the specific intent of protecting small businesses and small farms from the adverse effects of minimum wage increases. Changes in the small business exemptions would affect only very small chain stores, most of which are located in small, rural communities primarily in the South and West. Pressures will be added to consolidate and shift location to larger urban areas. I believe such action on the part of Congress would be a serious mistake.

In addition, minimum wage coverage would be extended in agriculture by repeal of the exemption of "local, seasonal, hand harvest laborers." The impact of this change will fall heaviest on fruit and berry farms, which utilize large numbers of hand laborers during a short harvest season. Under the bill as reported, such laborers would be included in the "500 man-day test" by adding them to extended coverage to farms using "500 man-days" of labor during the peak quarter of the preceding calendar year. The equities of this situation are not balanced, for it penalizes a small farm requiring a large amount of labor during a brief harvest season, while another farm may escape coverage by utilizing the same amount annually but not concentrated in a peak season.

Further, Mr. President, overtime coverage would now be extended to Federal, State, and local government employees. It is estimated the net effect could amount to $305 million annually. Such costs would be inflicted in many cases on State and local governments, and would summarily override negotiated contracts.

I shall vote against the bill and urge my colleagues to do likewise.

Mr. BENTSEN. Mr. President, I want to make a few comments concerning section 28 of S. 2747.

Since March of 1972, I have been attempting to move a broad age discrimination bill through the Congress. I have introduced measures on this subject on three separate occasions; at one time my age discrimination bill passed the Senate by a vote of 86–0 as part of a minimum wage package. Unfortunately, that measure never reached the President.

This year I introduced S. 2380, which has been incorporated, virtually intact, as part of the bill before us. I am pleased to report that similar language is now also a part of the House minimum wage legislation.

When the Age Discrimination in Employment Act passed the Congress in 1967, it provided a specific exclusion from coverage for local, State, and Federal employees. In my view, that exclusion is unsupportable.

State and local government constitute perhaps the fastest growing areas of employment in our economy. The Federal Government has several million workers who are not covered. There is no reason why private enterprise should be subject to restrictions that are not applicable to the Federal Government.

Since I introduced my bill in 1972, I have received many letters from Government workers, relating to me their experiences with a bureaucracy which uses coercive tactics to induce retirement at an earlier age. I have also received letters from State and local employees, who indicate that they are discriminated against in the terms and conditions of their employment. This situation must not be allowed to continue.

This legislation addresses the plight of the disabled veteran who completed 12 months of study as a wastewater treatment operator only to find that a local city ordinance prohibited hiring anyone over 45. It speaks to the Pentagon's recently announced plan to compel retirements at the age of 55, a procedure so blatantly unlawful that it could be subject to a suit from an employee in private business. It speaks to employees of Federal agencies who may be subject to harassment from letters and memoranda, suggesting that they retire and promising pension benefits which may be less generous than expected.

What this legislation does is to give these workers coverage under the age discrimination law and to give them a procedure to pursue their complaints. The signing of this measure will climax a long effort to bring equity to a large group of American workers. I urge the President to act swiftly and sign this provision into law.

Mr. BELLMON. Mr. President, there is no question that the minimum wage should be raised. For most workers there has not been an increase in over 5 years and $1.60 an hour will buy only about two-thirds as much as it would when that level was set.

The proposal before the Senate is basically the same one which was passed last year and vetoed by the President. My opposition to it now is the same as it was then. We do need to increase the minimum wage, but we should not make jobs more difficult to find for the Nation's young or handicapped workers.

That is what this bill would do, by repealing or drastically changing current exemptions and thereby extending coverage to almost 7 million additional employees. Among those affected would be employees of retail and service establishments grossing less than $250,000 annually; nursing home employees; seasonal workers; and local government employees.

Mr. President, the impact of this bill in Oklaoma would be felt especially by young people and handicapped workers now employed by small businessmen, nursing home operators and municipal governments. While the bill makes some less than the minimum wage to students provisions to allow employers to pay working part-time, these provisions have proven almost unworkable in the past, also the bill does not take into consideration the many nonstudent teenagers who need to earn money.

If this bill is enacted in its present form, it would prevent thousands of young people from holding jobs and make the youth unemployment rate, already almost 17 percent, go ever higher.

This legislation is an economic threat to small business, hard-pressed cities and towns, and those trying to enter the job

market. Therefore, I cannot in good conscience support it.

The House is working on its own minimum wage bill, and any legislation passed by the Senate will go to a joint conference committee. I am hopeful that satisfactory legislation can be worked out during this session so that the long overdue increase in the minimum wage can be achieved without imposing additional hardships on both employers and employees. To therefore urge the Senate to reject S. 2747 in its present form.

Mr. DOLE. Mr. President, for almost 3 years, the Nation has been living with economic controls. Invoked in August of 1971, under authorities granted through the Economic Stabilization Act, this represented an unprecedented experience for the American people—wage and price controls in peacetime.

In 1971, and on a temporary basis, a controls policy had some justification and the freeze which was invoked initially had some good results. But much has happened since then, by way of market distortions and dislocations, which convinces me that the economic stabilization act should be allowed to pass into history when its expiration date arrives on April 30.

MARKET DISTORTIONS

In the intervening days between now and then, however, I believe we can act to rectify some of the problems which controls have caused and to smooth out some of the distortions in the market which have accompanied them. In the case of many commodities, it seems, the market mechanisms have failed to function properly. Supply and demand, in some cases, no longer seem to relate directly to price. Retail prices rise even as wholesale prices fall, in many instances, and a free market violated by undue governmental restraints, no longer shows an ability to respond to traditional market forces.

It was in an effort to remedy some of the problems caused by the controls of the last 3 years that I had intended to offer an amendment today to S. 2747.

ASSURE ADEQUATE SUPPLY

The amendment I sent to the desk yesterday was proposed in order to provide some assurance to the American people that they will continue to have a supply of hamburger and other meat products, and at a price that is within their means.

Presently retail prices for meat products are hitting all-time highs. In particular the price of hamburger in Washington's suburban grocery stores the past few days hit $1.09 to $1.19 per pound. At the same time live cattle prices have dropped 12 cents per pound. I submit a table for insertion in the RECORD which shows the increase in hamburbger prices in comparison with the prices paid to cattlemen for their animals.

The PRESIDING OFFICER. Without objection, the table will be printed in the RECORD.

(See exhibit 1.)

HAMBURGER PRICE RISE

Mr. DOLE. The housewives know the prices of meat in the grocery store. But some of them still think, mistakenly, that cattlemen are responsible for it and that cattlemen are still getting the prices for cattle that they got last summer.

Back then, Washington supermarkets were selling hamburger for 85 to 90 cents per pound. Last week in Washington, the price of hamburger hit $1.19 per pound. One store sells 5-pound rolls of hamburger which are now priced over $5 for the first time—at $5.25. Hamburger was not featured in a single newspaper ad last week. It is no wonder why.

Last summer when grocers were selling hamburger for 85 cents a pound, live cattle brought 52 to 55 cents a pound. Today, when live cattle are going for 41 to 43 cents per pound, they are selling hamburger for $1.19 per pound.

RETAIL RISE WHOLESALE DECLINE

Grocers, like any other businessmen, are entitled to a fair profit. But this is ridiculous. Especially so when cattlemen are losing from $50 to $100 a head on every animal they sell to the packer. The price of live cattle has fallen over 12 cents a pound since last August. But over the same time period, hamburger has gone up 29 cents and steaks and roasts, in fact all cuts of beef, have gone up or at least held constant. None have gone down.

Hamburger—a staple in most American households—is not even featured in advertisements in Washington papers any more, since it went over $1 per pound.

Steak prices have fluctuated more—but are seldom featured items in newspaper grocery ads.

All these price distortions point up the fact that a very finely tuned machine—our cattle and beef production and distribution system—has been thrown off kilter. We have not recovered from it yet and now energy problems and trucker protests have further delayed a return to anything like a normal situation.

LIMIT GROCERS MARGIN ON BEEF

Mr. President, the amendment that I proposed to the minimum wage bill (S. 2747) would require the Cost of Living Council to oversee the pricing practices of our retail grocers. The retail grocers would be limited to the same margin they were charging in the 12-month period prior to the imposition of price ceilings and controls, March 29, 1973. This period, April 1, 1972, to March 31, 1973, will be a fair period since it was prior to the distortions we have experienced due to those controls. The housewives are entitled to the protection this amendment will provide, and it will allow them to continue purchasing their hamburger and other beef products, which is essential in maintaining the beef production of the Nation.

THREAT TO SUPPLY

The high retail hamburger prices are causing housewives to purchase other food. This reduction in retail beef sales and depressed cattle prices, according to USDA, is causing a reduction in the number of cattle being produced in the Nation and some of the feedlots are being forced to close because of the adverse cost ratio of feed cost to depressed live cattle markets.

Our housewives deserve the protection of this amendment which will require hamburger prices to reflect the depressed cattle prices we are currently experiencing. Since the amendment is not germane to (S. 2747) I will not call it up. It is my hope, however, the amendment can be dealt with soon.

EXHIBIT 1

COMPARISON PRICES

	1967	1970	1972	Summer 1973	March 1974
Choice steers, Omaha (hundredweight)	$25.27	$29.34	$35.83	$53.61	$41.50
Hamburger (per pound)	.60	.72	.79	.90	1.19
Round steak (per pound)	.99	1.17	1.35	1.69	1.69
Chuck roast (per pound)	.64	.75	.85	1.17	1.19

Source: USDA Economic Research Service.

Mr. WILLIAMS. Mr. President, between the filing of the committee report and the beginning of the debate on S. 2747, a number of questions have been raised with me as floor manager of the bill, by some of my colleagues regarding the intent of certain provisions of the Fair Labor Standards Act as it would be amended by this legislation.

One of these questions relate to the new special provisions in section 13(b) for cotton ginning, sugarcane and sugar beet processing employees.

The new provisions in section 13(b) would provide for premium pay for hours worked in excess of specified hours for different work weeks during the year.

S. 2747 repeals the year-round overtime exemption for cotton ginning and sugar processing employees in section 13(b)(15) of the Fair Labor Standards Act, but retains the exemption for employees engaged in processing maple sap into maple syrup or sugar.

The amendment to phase down the overtime exemption for cotton ginning and sugar processing employees is as follows:

First, effective on the effective date, the workweek exemption is as follows: Seventy-two hours each week for 6 weeks of the year; 64 hours each week for 4 weeks of the year; 54 hours each week for 2 weeks of the year; 48 hours each week for the balance of the year.

Second, in 1975, the workweek exemption is as follows: Sixty-six hours each week for 6 weeks of the year; 60 hours each week for 4 weeks of the year; 50 hours each week for 2 weeks of the year; 46 hours each week for 2 weeks of the year; 44 hours each week for the balance of the year.

Third, in 1976, the workweek exemption is as follows: Sixty hours each week for 6 weeks of the year; 56 hours each week for 4 weeks of the year; 48 hours each week for 2 weeks of the year; 44 hours each week for 2 weeks of the year; 40 hours each week for the balance of the year.

The workweek exemptions are applicable during the actual season within a period of 12 consecutive months as opposed to the calendar year and are not limited to a period of consecutive weeks.

In addition, the cotton processing and sugar processing exemptions under section 7 of the law are retained but limited

to 48 hours during the appropriate weeks. Furthermore, it is provided that an employer who receives an exemption under this subsection will not be eligible for other overtime exemptions under section 13(b) (24) or (25) or section 7.

The employer may specify the workweek to be allocated to the particular overtime restriction either at the beginning or the end of that particular work. The enforcement procedure of the Department of Labor, under other similar provisions of law, is to require the employer to specify which provision of the exemption will be applicable for that workweek no later than the end of that workweek.

Furthermore, when the employer makes the selection, it is applicable to all employees covered by the exemption during that workweek.

Another question has been raised concerning the amendments to the "tip credit" language of section 3(m). As noted in the committee report, and as I have stated, the intent of this provision is to make clear where the burden of proof rests in legal proceedings. Under current law, the employee, who can ill afford legal representation has erroneously been required by one court to meet the burden of proving to the court's satisfaction that the amount of tips he or she actually received was less than the amount claimed by the employer as a tip credit.

Shultz v. *William Lee Hotel Company, Inc.*, 304 F. Supp. 427 (W. D. Tenn. 1969). Under this provision the burden is clearly on the employer to provide to a court's satisfaction that the amount of tip credit claimed by such employer was actually received as tips by the employee.

A third question has been raised regarding the phrase "maid or custodial services" in the amendment to section 13(b)8 of the act.

In phasing out completely the overtime exemption for maids and custodial workers the bill brings the full protection of the maximum hours provisions of the law to such custodial workers as maids, housemen, gardeners, and laundry workers.

The special 46-hour overtime exemption on the other hand would be applicable to other employees such as waiters, waitresses, and desk clerks, unless they perform custodial duties which are more than incidental to their noncustodial responsibilities.

Mr. President, I yield back my time.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and the third reading of the bill.

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

PROGRAM FOR TODAY AND TOMORROW

Mr. TOWER. Mr. President, will the Senator from New Jersey yield to me so that I may ask a question of the distinguished majority leader?

Mr. WILLIAMS. I yield.

Mr. TOWER. Mr. President, at this time, while Senators are in the Chamber in anticipation of the vote, I wish to ask the distinguished majority leader what he has in store for us for the remainder of this evening and tomorrow.

Mr. MANSFIELD. Mr. President, in response to the question raised by the distinguished acting Republican leader, as soon as the pending business is disposed of, it is the intent, according to the joint leadership, according to previous consultation, to lay before the Senate Calendar No. 669, S. 3066 the housing bill. It is anticipated we will come in around 10 o'clock tomorrow morning and hopefully we will be able to get some of the amendments out of the way and hopefully, and I say this after discussing the matter with the manager of the bill, the Senator from Alabama (Mr. SPARKMAN), and the ranking Republican member of the committee, the Senator from Texas (Mr. TOWER), we might be able to arrive at a time agreement on the consideration of the bill, covering amendments and the bill itself.

Mr. TOWER. That is my understanding. The consent request that will be suggested, I understand, will be 4 hours on the bill and 30 minutes on amendments. I still have one Senator on my side to clear it with, but we can anticipate that will probably be the agreement and I think it would be well to serve notice on Senators to find if any object or want more time.

Mr. MANSFIELD. I appreciate that.

FAIR LABOR STANDARDS AMENDMENTS OF 1974

The Senate continued with the consideration of the bill (S. 2747) to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rate under that act, to expand the coverage of the act, and for other purposes.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays on final passage.

The yeas and nays were ordered.

The PRESIDING OFFICER. All time has been yielded back. The question is, Shall the bill pass? The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BROCK. Mr. President, on this vote I have a live pair with the Senator from Arizona (Mr. GOLDWATER). Were he present and voting, he would vote "nay." Were I permitted to vote, I would vote "yea." I therefore withhold my vote.

Mr. TOWER (after having voted in the negative). Mr. President, on this vote I have a live pair with the Senator from Kentucky (Mr. COOK). If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." I therefore withdraw my vote.

Mr. ROBERT C. BYRD. I announce that the Senator from Michigan (Mr. HART) is necessarily absent.

I further announce that, if present and voting, the Senator from Michigan (Mr. HART) would vote "yea."

Mr. TOWER. I announce that the Senator from Kentucky (Mr. COOK), the Senator from Arizona (Mr. GOLDWATER), the Senator from Michigan (Mr. GRIFFIN), the Senator from North Carolina (Mr. HELMS), and the Senator from Pennsylvania (Mr. HUGH SCOTT) are necessarily absent.

On this vote, the Senator from Pennsylvania (Mr. HUGH SCOTT) is paired with the Senator from North Carolina (Mr. HELMS). If present and voting, the Senator from Pennsylvania would vote "yea" and the Senator from North Carolina would vote "nay."

I further announce that the Senator from Connecticut (Mr. WEICKER) is absent due to death in the family.

The result was announced—yeas 69, nays 22, as follows:

[No. 63 Leg.]

YEAS—69

Abourezk	Gravel	Montoya
Aiken	Hartke	Moss
Allen	Haskell	Muskie
Baker	Hatfield	Nelson
Bayh	Hathaway	Nunn
Beall	Huddleston	Packwood
Bentsen	Hughes	Pastore
Bible	Humphrey	Pearson
Biden	Inouye	Pell
Brooke	Jackson	Percy
Burdick	Javits	Proxmire
Byrd, Robert C.	Johnston	Randolph
Cannon	Kennedy	Ribicoff
Case	Long	Schweiker
Chiles	Magnuson	Sparkman
Church	Mansfield	Stafford
Clark	Mathias	Stevens
Cranston	McGee	Stevenson
Dole	McGovern	Symington
Domenici	McIntyre	Talmadge
Eagleton	Metcalf	Tunney
Fong	Metzenbaum	Williams
Fulbright	Mondale	Young

NAYS—22

Bartlett	Dominick	McClellan
Bellmon	Eastland	McClure
Bennett	Ervin	Roth
Buckley	Fannin	Scott, William L.
Byrd, Harry F., Jr.	Gurney	Stennis
Cotton	Hansen	Taft
Curtis	Hollings	Thurmond
	Hruska	

PRESENT AND GIVING LIVE PAIRS, AS PREVIOUSLY RECORDED—2

Brock, for.
Tower, against.

NOT VOTING—7

Cook	Hart	Weicker
Goldwater	Helms	
Griffin	Scott, Hugh	

So the bill (S. 2747) was passed, as follows:

S. 2747

An act to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rate under that Act, to expand the coverage of the Act, and for other purposes

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

SHORT TITLE; REFERENCES TO ACT

SECTION 1. (a) This Act may be cited as the "Fair Labor Standards Amendments of 1974".

(b) Unless otherwise specified, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the section or other provision amended or repealed is a section or other provision of the Fair Labor Standards Act of 1938 (29 U.S.C. 201–219).

INCREASE IN MINIMUM WAGE RATE FOR EMPLOYEES COVERED BEFORE 1966

SEC. 2. Section 6(a)(1) is amended to read as follows:

"(1) not less than $2 an hour during the first year from the effective date of the Fair Labor Standards Amendments of 1974, and not less than $2.20 an hour thereafter,

except as otherwise provided in this section;".

INCREASE IN MINIMUM WAGE RATE FOR NONAGRICULTURAL EMPLOYEES COVERED IN 1966 AND 1973

SEC. 3. Section 6(b) is amended (1) by inserting ", title IX of the Education Amendments of 1972, or the Fair Labor Standards Amendments of 1974" after "1966", and (2) by striking out paragraphs (1) through (5) and inserting in lieu thereof the following:

"(1) not less than $1.80 an hour during the first year from the effective date of the Fair Labor Standards Amendments of 1974,

"(2) not less than $2 an hour during the second year from the effective date of such amendments,

"(3) not less than $2.20 an hour thereafter.".

INCREASE IN MINIMUM WAGE RATE FOR AGRICULTURAL EMPLOYEES

SEC. 4. Section 6(a)(5) is amended to read as follows:

"(5) if such employee is employed in agriculture, not less than—

"(A) $1.60 an hour during the first year from the effective date of the Fair Labor Standards Amendments of 1974.

"(B) $1.80 an hour during the second year from the effective date of such amendments,

"(C) $2 an hour during the third year from the effective date of such amendments,

"(D) $2.20 an hour thereafter.".

INCREASE IN MINIMUM WAGE RATES FOR EMPLOYEES IN PUERTO RICO AND THE VIRGIN ISLANDS

SEC. 5. (a) Section 5 is amended by adding at the end thereof the following new subsection:

"(e) The provisions of this section, section 6(c), and section 8 shall not apply with respect to the minimum wage rate of any employee employed in Puerto Rico or the Virgin Islands (1) by the United States or by the government of the Virgin Islands, (2) by an establishment which is a hotel, motel, or restaurant, or (3) by any other retail or service establishment which employs such employee primarily in connection with the preparation or offering of food or beverages for human consumption, either on the premises, or by such services as catering, banquet, box lunch, or curb or counter service, to the public, to employees, or to members or guests of members of clubs. The minimum wage rate of such an employee shall be determined under this Act in the same manner as the minimum wage rate for employees employed in a State of the United States is determined under this Act. As used in the preceding sentence, the term 'State' does not include a territory or possession of the United States.".

(b) Effective on the date of the enactment of the Fair Labor Standards Amendments of 1974, subsection (c) of section 6 is amended by striking out paragraphs (2), (3), and (4) and inserting in lieu thereof the following:

(2) Except as provided in paragraphs (4) and (5), in the case of any employee who is covered by such a wage order on the date of enactment of the Fair Labor Standards Amendments of 1974 and to whom the rate or rates prescribed by subsection (a) or (b) would otherwise apply, the wage rate applicable to such employee shall be increased as follows:

"(A) Effective on the effective date of the Fair Labor Standards Amendments of 1974, the wage order rate applicable to such employee on the day before such date shall—

"(i) if such rate is under $1.40 an hour, be increased by $0.12 an hour, and

"(ii) if such rate is $1.40 or more an hour, be increased by $0.15 an hour.

"(B) Effective on the first day of the second and each subsequent year after such date, the highest wage order rate applicable to such employees on the date before such first day shall—

"(i) if such rate is under $1.40 an hour, be increased by $0.12 an hour, and

"(ii) if such rate is $1.40 or more an hour, be increased by $0.15 an hour.

In the case of any employee employed in agriculture who is covered by a wage order issued by the Secretary pursuant to the recommendations of a special industry committee appointed pursuant to section 5, to whom the rate or rates prescribed by subsection (a)(5) would otherwise apply, and whose hourly wage is increased above the wage rate prescribed by such wage order by a subsidy (or income supplement) paid, in whole or in part, by the government of Puerto Rico, the increases prescribed by this paragraph shall be applied to the sum of the wage rate in effect under such wage order and the amount by which the employee's hourly wage rate is increased by the subsidy (or income supplement) above the wage rate in effect under such wage order.

"(3) In the case of any employee employed in Puerto Rico or the Virgin Islands to whom this section is made applicable by the amendments made to this Act by the Fair Labor Standards Amendments of 1974, the Secretary shall, as soon as practicable after the date of enactment of the Fair Labor Standards Amendments of 1974, appoint a special industry committee in accordance with section 5 to recommend the highest minimum wage rate or rates, which shall be not less than 60 per centum of the otherwise applicable minimum wage rate in effect under subsection (b) or $1.00 an hour, whichever is greater, to be applicable to such employee in lieu of the rate or rates prescribed by subsection (b). The rate recommended by the special industry committee shall (A) be effective with respect to such employee upon the effective date of the wage order issued pursuant to such recommendation, but not before sixty days after the effective date of the Fair Labor Standards Amendments of 1974, and (B) except in the case of employees of the government of Puerto Rico or any political subdivision thereof, be increased in accordance with paragraph (2)(B).

"(4)(A) Notwithstanding paragraph (2)(A) or (3), the wage rate of any employee in Puerto Rico or the Virgin Islands which is subject to paragraph (2)(A) or (3) of this subsection, shall, on the effective date of the wage increase under paragraph (2)(A) or of the wage rate recommended under paragraph (3), as the case may be, be not less than 60 per centum of the otherwise applicable rate under subsection (a) or (b) or $1.00, whichever is higher.

"(B) Notwithstanding paragraph (2)(B), the wage rate of any employee in Puerto Rico or the Virgin Islands which is subject to paragraph (2)(B), shall, on and after the effective date of the first wage increase under paragraph (2)(B), be not less than 60 per centum of the otherwise applicable rate under subseciton (a) or (b) or $1.00, whichever is higher.

"(5) If the wage rate of an employee is to be increased under this subsection to a wage rate which equals or is greater than the wage rate under subsection (a) or (b) which, but for paragraph (1) of this subsection, would be applicable to such employee, this subsection shall be inapplicable to such employee and the applicable rate under such subsection shall apply to such employee.

"(6) Each minimum wage rate prescribed by or under paragraph (2) or (3) shall be in effect unless such minimum wage rate has been superseded by a wage order (issued by the Secretary pursuant to the recommendation of a special industry committee convened under section 8) fixing a higher minimum wage rate."

(c)(1) The last sentence of section 8(b) is amended by striking out the period at the end thereof and inserting in lieu thereof a semicolon and the following: "except that the committee shall recommend to the Secretary the minimum wage rate prescribed in section 6(a) or 6(b), which would be applicable but for section 6(c), unless there is substantial documentary evidence, including pertinent unabridged profit and loss statements and balance sheets for a representative period of years or in the case of employees of public agencies other appropriate information, in the record which establishes that the industry, or a predominant portion thereof, is unable to pay that wage."

(2) The third sentence of section 10(a) is amended by inserting after "modify" the following: "(including provision for the payment of an appropriate minimum wage rate)".

(d) Section 8 is amended (1) by striking out "the minimum wage prescribed in paragraph (1) of section 6(a) in each such industry" in the first sentence of subsection (a) and inserting in lieu thereof "the minimum wage rate which would apply in each such industry under paragraph (1) or (5) of section 6(a) but for section 6(c)", (2) by striking out "the minimum wage rate prescribed in paragraph (1) of section 6(a)" in the last sentence of subsection (a) and inserting in lieu thereof "the otherwise applicable minimum wage rate in effect under paragraph (1) or (5) of section 6(a)", and (3) by striking out "prescribed in paragraph (1) of section 6(a)" in subsection (c) and inserting in lieu thereof "in effect under paragraph (1) or (5) of section 6(a) (as the case may be)".

FEDERAL AND STATE EMPLOYEES

SEC. 6. (a)(1) Section 3(d) is amended to read as follows:

"(d) 'Employer' includes any person acting directly or indirectly in the interest of an employer in relation to an employee and includes a public agency, but does not include any labor organization (other than when acting as an employer) or anyone acting in the capacity of officer or agent of such labor organization."

(2) Section 3(e) is amended to read as follows:

"(e)(1) Except as provided in paragraphs (2) and (3), the term 'employee' means any individual employed by an employer.

"(2) In the case of an individual employed by a public agency, such term means—

"(A) any individual employed by the Government of the United States—

"(i) as a civilian in the military departments (as defined in section 102 of title 5, United States Code),

"(ii) in any executive agency (as defined in section 105 of such title),

"(iii) in any unit of the legislative or judicial branch of the Government which has positions in the competitive service,

"(iv) in a nonappropriated fund instrumentality under the jurisdiction of the Armed Forces, or

"(v) in the Library of Congress;

"(B) any individual employed by the United States Postal Service or the Postal Rate Commission: and

"(C) any individual employed by a State, political subdivision of a State, or an interstate governmental agency, other than such an individual—

"(i) who is not subject to the civil service laws of the State, political subdivision, or agency which employs him; and

"(ii) who—

"(I) holds a public elective office of that State, political subdivision, or agency,

"(II) is selected by the holder of such an office to be a member of his personal staff,

"(III) is appointed by such an officeholder to serve on a policymaking level, or

"(IV) who is an immediate adviser to such an officeholder with respect to the constitutional or legal powers of his office.

"(3) For purposes of subsection (u), such term does not include any individual employed by an employer engaged in agriculture if such individual is the parent, spouse, child, or other member of the employer's immediate family.".

(3) Section 3(h) is amended to read as follows:

"(h) 'Industry' means a trade, business, industry, or other activity, or branch or group thereof, in which individuals are gainfully employed.".

(4) Section 3(r) is amended by inserting "or" at the end of paragraph (2) and by inserting after that paragraph the following new paragraph:

"(3) in connection with the activities of a public agency,".

(5) Section 3(s) is amended—

(A) by striking out in the matter preceding paragraph (1) "including employees handling, selling, or otherwise working on goods" and inserting in lieu thereof "or employees handling, selling, or otherwise working on goods or materials",

(B) by striking out "or" at the end of paragraph (3),

(C) by striking out the period at the end of paragraph (4) and inserting in lieu thereof "; or",

(D) by adding after paragraph (4) the following new paragraph:

"(5) is an activity of a public agency.", and

(E) by adding after the last sentence the following new sentence: "The employees of an enterprise which is a public agency shall for purposes of this subsection be deemed to be employees engaged in commerce, or in the production of goods for commerce, or employees handling, selling, or otherwise working on goods or materials that have been moved in or produced for commerce.".

(6) Section 3 is amended by adding after subsection (w) the following:

"(x) 'Public agency' means the Government of the United States; the government of a State or political subdivision thereof; any agency of the United States (including the United States Postal Service and Postal Rate Commission), a State, or a political subdivision of a State; or any interstate governmental agency.".

(b) Section 4 is amended by adding at the end thereof the following new subsection:

"(f) The Secretary is authorized to enter into an agreement with the Librarian of Congress with respect to any individual employed in the Library of Congress to provide for the carrying out of the Secetary's functions under this Act with respect to such individuals. Notwithstanding any other provision of this Act, or any other law, the Civil Service Commission is authorized to administer the provisions of this Act with respect to any individual employed by the United States (other than an individual employed in the Library of Congress, United States Postal Service, Postal Rate Commission, or the Tennessee Valley Authority). Nothing in this subsection shall be construed to affect the right of an employee to bring an action for unpaid minimum wages, or unpaid overtime compensation, and liquidated damages under section 16(b) of this Act.".

(c) Section 7 is amended by adding at the end thereof the following new subsection:

"(k) No public agency shall be deemed to have violated subsection (a) with regard to any employee engaged in fire protection or law enforcement activities (including security personnel in correctional institutions) if, pursuant to an agreement or understanding arrived at between the employer and the employee before performance of the work, a work period of twenty-eight consecutive days is accepted in lieu of the workweek of seven consecutive days for purposes of overtime computation and if the employee receives compensation at a rate not less than one and one-half times the regular rate at which he is employed for his employment in excess of—

"(1) one hundred and ninety-two hours in each such twenty-eight day period during the first year from the effective date of the Fair Labor Standards Amendments of 1974;

"(2) one hundred and eighty-four hours in each such twenty-eight day period during the second year from such date;

"(3) one hundred and seventy-six hours in each such twenty-eight day period during the third year from such date:

"(4) one hundred and sixty-eight hours in each such twenty-eight day period during the fourth year from such date; and

"(5) one hundred and sixty hours in each such twenty-eight day period thereafter.".

(d)(1) The second sentence of section 16(b) is amended to read as follows: "Action to recover such liability may be maintained against any employer (including a public agency) in any Federal or State court of competent jurisdiction by any one or more employees for and in behalf of himself or themselves and other employees similarly situated.".

(2)(A) Section 6 of the Portal-to-Portal Pay Act of 1947 is amended by striking out the period at the end of paragraph (c) and by inserting in lieu thereof a semicolon and by adding after such paragraph the following:

"(d) with respect to any cause of action brought under section 16(b) of the Fair Labor Standards Act of 1938 against a State or a political subdivision of a State in a district court of the United States on or before April 18, 1973, the running of the statutory periods of limitation shall be deemed suspended during the period beginning with the commencement of any such action and ending one hundred and eighty days after the effective date of the Fair Labor Standards Amendments of 1974, except that such suspension shall not be applicable if in such action judgment has been entered for the defendant on the grounds other than State immunity from Federal jurisdiction.".

(B) Section 11 of such Act is amended by striking out "(b)" after "section 16".

DOMESTIC SERVICE WORKERS

SEC. 7. (a) Section 2(a) is amended by inserting at the end the following new sentence: "The Congress further finds that the employment of persons in domestic service in households affects commerce."

(b)(1) Section 6 is amended by adding after subsection (e) the following new subsection:

"(f) Any employee who in any workweek is employed in domestic service in a household shall be paid wages at a rate not less than the wage rate in effect under section 6(b) unless such employee's compensation for such service would not because of section 209(g) of the Social Security Act constitute 'wages', for purposes of title II of such Act."

(2) Section 7 is amended by adding after the subsection added by section 6(c) of this Act the following new subsection:

"(l) Subsection (a)(1) shall apply with respect to any employee who in any workweek is employed in domestic service in a household unless such employee's compensation for such work would not because of section 209(g) of the Social Security Act constitute 'wages', for purposes of title II of such Act."

(3) Section 13(a) is amended by adding at the end the following new paragraph:

"(15) any employee employed on a casual basis in domestic service employment to provide babysitting services or any employee employed in domestic service employment to provide companionship services for individuals who (because of age or infirmity) are unable to care for themselves (as such terms are defined and delimited by regulations of the Secretary)."

(4) Section 13(b) is amended by striking out the period at the end of paragraph (19) and inserting in lieu thereof "; or" and by adding after that paragraph the following new paragraph:

"(20) any employee who is employed in domestic service in a household and who resides in such household; or".

RETAIL AND SERVICE ESTABLISHMENTS

SEC. 8. (a) Effective January 1, 1975, section 13(a)(2) (relating to employees of retail and service establishments) is amended by striking out "$250,000" and inserting in lieu thereof "$225,000".

(b) Effective January 1, 1976, such section is amended by striking out "$225,000" and inserting in lieu thereof "$200,000".

(c) Effective January 1, 1977, such section is amended by striking out "or such establishment has an annual dollar volume of sales which is less than $200,000 (exclusive of excise taxes at the retail level which are separately stated)".

TOBACCO EMPLOYEES

SEC. 9. (a) Section 7 is amended by adding after the subsection added by section 7(b)(2) of this Act the following:

"(m) For a period or periods of not more than fourteen workweeks in the aggregate in any calendar year, any employer may employ any employee for a workweek in excess of that specified in subsection (a) without paying the compensation for overtime employment prescribed in such subsection, if such employee—

"(1) is employed by such employer—

"(A) to provide services (including stripping and grading) necessary and incidental to the sale at auction of green leaf tobacco of type 11, 12, 13, 14, 21, 22, 23, 24, 31, 35, 36, or 37 (as such types are defined by the Secretary of Agriculture), or in auction sale, buying, handling, stemming, redrying, packing, and storing of such tobacco.

"(B) in auction sale, buying, handling, sorting, grading, packing, or storing green leaf tobacco of type 32 (as such type is defined by the Secretary of Agriculture), or

"(C) in auction sale, buying, handling, stripping, sorting, grading, sizing, packing, or stemming prior to packing, of perishable cigar leaf tobacco of type 41, 42, 43, 44, 45, 46, 51, 52, 53, 54, 55, 61, or 62 (as such types are defined by the Secretary of Agriculture); and

"(2) receives for—

"(A) such employment by such employer which is in excess of ten hours in any workday, and

"(B) such employment by such employer which is in excess of forty-eight hours in any workweek,

compensation at a rate not less than one and one-half times the regular rate at which he is employed.

An employer who receives an exemption under this subsection shall not be eligible for any other exemption under this section.".

(b)1) Section 13(a)(14) is repealed.

(2) Section 13(b) is amended by adding after the paragraph added by section 7(b)(4) of this Act the following new paragarph:

"(21) any agricultural employee employed in the growing and harvesting of shade-grown tobacco who is engaged in the processing (including, but not limited to, drying, curing, fermenting, bulking, rebulking, sorting, grading, aging, and baling) of such tobacco, prior to the stemming process, for use as cigar wrapper tobacco; or".

TELEGRAPH AGENCY EMPLOYEES

SEC. 10. (a) Section 13(a)(11) (relating to telegraph agency employees) is repealed.

(b)(1) Section 13(b) is amended by adding after the paragraph added by section 9(b)(2) of this Act the following new paragraph:

"(22) any employee or proprietor in a retail or service establishment, which qualifies as an exempt retail or service establishment under paragraph (2) of subsection (a) with respect to whom the provisions of sections 6 and 7 would not otherwise apply, engaged in handling telegraphic messages for the public under an agency or contract arrangement with a telegraph company where the telegraph message revenue of such agency does not exceed $500 a month and receives compensation for employment in excess of forty-eight hours in any workweek at a rate not less than one and one-half times the regular rate at which he is employed; or".

(2) Effective one year after the effective date of the Fair Labor Standards Amendments of 1974, section 13(b)(22) is amended by striking out "forty-eight hours" and inserting in lieu thereof "forty-four hours".

(3) Effective two years after such date, section 13(b)(22) is repealed.

SEAFOOD CANNING AND PROCESSING EMPLOYEES

SEC. 11. (a) Section 13(b)(4) (relating to fish and seafood processing employees) is amended by inserting "who is" after "employee", and by inserting before the semicolon the following: ", and who receives compensation for employment in excess of forty-eight hours in any workweek at a rate not less than one and one-half times the regular rate at which he is employed".

(b) Effective one year after the effective date of the Fair Labor Standards Amendments of 1974, section 13(b)(4) is amended by striking out "forty-eight hours" and inserting in lieu thereof "forty-four hours."

(c) Effective two years after such date, section 13(b)(4) is repealed.

NURSING HOME EMPLOYEES

SEC. 12. (a) Section 13(b)(8) (insofar as it relates to nursing home employees) is amended by striking out "any employee who (A) is employed by an establishment which is an institution (other than a hospital) primarily engaged in the care of the sick, the aged, or the mentally ill or defective who reside on the premises" and the remainder of that paragraph.

(b) Section 7(j) is amended by inserting after "a hospital" the following: "or an establishment which is an institution primarily engaged in the care of the sick, the aged, or the mentally ill or defective who reside on the premises".

HOTEL, MOTEL, AND RESTAURANT EMPLOYEES AND TIPPED EMPLOYEES

SEC. 13. (a) Section 13(b)(8) (insofar as it relates to hotel, motel, and restaurant employees) (as amended by section 12) is amended (1) by striking out "any employee" and inserting in lieu thereof "(A) any employee (other than an employee of a hotel or motel who is employed to perform maid or custodial services) who is," (2) by inserting before the semicolon the following: "and who receives compensation for employment in excess of forty-eight hours in any workweek at a rate not less than one and one-half times the regular rate at which he is employed", and (3) by adding after such section the following:

"(B) any employee who is employed by a hotel or motel to perform maid or custodial services and who receives compensation for employment in excess of forty-eight hours in any workweek at a rate not less than one and one-half times the regular rate at which he is employed; or".

(b) Effective one year after the effective date of the Fair Labor Standards Amendments of 1974, subparagraphs (A) and (B) of section 13(b)(8) are each amended by striking out "forty-eight hours" and inserting in lieu thereof "forty-six hours".

(c) Effective two years after such date, subparagraph (B) of section 13(b)(8) is amended by striking out "forty-six hours" and inserting in lieu thereof "forty-four hours".

(d) Effective three years after such date, subparagraph (B) of section 13(b)(8) is repealed and such section is amended by striking out "(A)".

(e) The last sentence of section 3(m) is amended to read as follows: "In determining the wage of a tipped employee, the amount paid such employee by his employer shall be deemed to be increased on account of tips by an amount determined by the employer, but not by an amount in excess of 50 per centum of the applicable minimum wage rate, except that the amount of the increase on account of tips determined by the employer may not exceed the value of tips actually received by the employee. The previous sentence shall not apply with respect to any tipped employee unless (1) such employee has been informed by the employer of the provisions of this section, and (2) all tips received by such employee have been retained by the employee, except that nothing herein shall prohibit the pooling of tips among employees who customarily and regularly receive tips.".

SALESMEN, PARTSMEN, AND MECHANICS

SEC. 14. Section 13(b)(10) (relating to salesmen, partsmen, and mechanics) is amended to read as follows:

"(10)(A) any salesman primarily engaged in selling automobiles, trailers, trucks, farm implements, boats, or aircraft if he is employed by a nonmanufacturing establishment primarily engaged in the business of selling such boats or vehicles to ultimate purchasers; or

"(B) any partsman primarily engaged in selling parts for automobiles, trucks, or farm implements and any mechanic primarily engaged in servicing such vehicles, if they are employed by a nonmanufacturing establishment primarily engaged in the business of selling such vehicles to ultimate purchasers; or".

FOOD SERVICE ESTABLISHMENT EMPLOYEES

SEC. 15. (a) Section 13(b)(18) (relating to food service and catering employees) is amended by inserting immediately before the semicolon the following: "and who receives compensation for employment in excess of forty-eight hours in any workweek at a rate not less than one and one-half times the regular rate at which he is employed".

(b) Effective one year after the effective date of the Fair Labor Standards Amendments of 1974, such section is amended by striking out "forty-eight hours" and inserting in lieu thereof "forty-four hours".

(c) Effective two years after such date, such section is repealed.

BOWLING EMPLOYEES

SEC. 16. (a) Effective one year after the effective date of the Fair Labor Standards Amendments of 1974, section 13(b)(19) (relating to employees of bowling establishments) is amended by striking out "forty-eight hours" and inserting in lieu thereof "forty-four hours".

(b) Effective two years after such date, such section is repealed.

SUBSTITUTE PARENTS FOR INSTITUTIONALIZED CHILDREN

SEC. 17. Section 13(b) is amended by inserting after the paragraph added by section 10(b)(1) of this Act the following new paragraph:

"(23) any employee who is employed with his spouse by a nonprofit education institution to serve as the parents of children—

"(A) who are orphans or one of whose natural parents is deceased, or

"(B) who are enrolled in such institution and reside in residential facilities of the institution, while such children are in residence at such institution,

if such employee and his spouse reside in such facilities, receive, without cost, board and lodging from such institution, and are together compensated, on a cash basis, at an annual rate of not less than $10,000; or;".

EMPLOYEES OF CONGLOMERATES

SEC. 18. Section 13 is amended by adding at the end thereof the following:

"(g) The exemption from section 6 provided by paragraphs (2) and (6) of subsection (a) of this section shall not apply with respect to any employee employed by an establishment (1) which controls, is controlled by, or is under common control with, another establishment the activities of which are not related for a common business purpose to, but materially support, the activities of the establishment employing such employee; and (2) whose annual gross volume of sales made or business done, when combined with the annual gross volume of sales made or business done by each establishment which controls, is controlled by, or is under common control with, the establishment employing such employee, exceeds $10,000,000 (exclusive of excise taxes at the retail level which are separately stated), except that the exemption from section 6 provided by subparagraph (2) of subsection (a) of this section shall apply with respect to any establishment described in this subsection which has an annual dollar volume of sales which would permit it to qualify for the exemption provided in paragraph (2) of subsection (a) if it were in an enterprise described in section 3(s).".

SEASONAL INDUSTRY EMPLOYEES

SEC. 19. (a) Sections 7(c) and 7(d) are each amended—

(1) by striking out "ten workweeks" and inserting in lieu thereof "seven workweeks", and

(2) by striking out "fourteen workweeks" and inserting in lieu thereof "ten workweeks".

(b) Section 7(c) is amended by striking out "fifty hours" and inserting in lieu thereof "forty-eight hours".

(c) Effective January 1, 1975, sections 7(c) and 7(d) are each amended—

(1) by striking out "seven workweeks" and inserting in lieu thereof "five workweeks", and

(2) by striking out "ten workweeks" and inserting in lieu thereof "seven workweeks".

(d) Effective January 1, 1976, sections 7(c) and 7(d) are each amended—

(1) by striking out "five workweeks" and inserting in lieu thereof "three workweeks", and

(2) by striking out "seven workweeks" and inserting in lieu thereof "five workweeks".

(e) Effective December 31, 1976, sections 7(c) and 7(d) are repealed.

COTTON GINNING AND SUGAR PROCESSING EMPLOYEES

SEC. 20. (a) Section 13(b)(15) is amended to read as follows:

"(15) any employee engaged in the processing of maple sap into sugar (other than refined sugar) or syrup; or".

(b)(1) Section 13(b) is amended by adding after paragraph (23) the following new paragraph:

"(24) any employee who is engaged in ginning of cotton for market in any place of employment located in a county where cotton is grown in commercial quantities and who receives compensation for employment in excess of—

"(A) seventy-two hours in any workweek for not more than six workweeks in a year,

"(B) sixty-four hours in any workweek for not more than four workweeks in that year,

"(C) fifty-four hours in any workweek for not more than two workweeks in that year, and

"(D) forty-eight hours in any other workweek in that year.

at a rate not less than one and one-half times the regular rate at which he is employed; or".

(2) Effective January 1, 1975, section 13(b)(24) is amended—

(A) by striking out "seventy-two" and inserting in lieu thereof "sixty-six";

(B) by striking out "sixty-four" and inserting in lieu thereof "sixty";

(C) by striking out "fifty-four" and inserting in lieu thereof "fifty";

(D) by striking out "and" at the end of subparagraph (C); and

(E) by striking out "forty-eight hours in any other workweek in that year" and inserting in lieu thereof the following: "forty-six hours in any workweek for not more than two workweeks in that year; and

"(E) forty-four hours in any other workweek in that year,".

(3) Effective January 1, 1976, section 13(b)(24) is amended—

(A) by striking out "sixty-six" and inserting in lieu thereof "sixty";

(B) by striking out "sixty" and inserting in lieu thereof "fifty-six";

(C) by striking out "fifty" and inserting in lieu thereof "forty-eight";

(D) by striking out "forty-six" and inserting in lieu thereof "forty-four"; and

(E) by striking out "forty-four" and inserting in lieu thereof "forty".

(c)(1) Section 13(b) is amended by adding after paragraph (24) the following new paragraph:

"(25) any employee who is engaged in the processing of sugar beets, sugar beet molasses, or sugarcane into sugar (other than refined sugar) or syrup and who receives compensation for employment in excess of—

"(A) seventy-two hours in any workweek for not more than six workweeks in a year,

"(B) sixty-four hours in any workweek for not more than four workweeks in that year,

"(C) fifty-four hours in any workweek for not more than two workweeks in that year, and

"(D) forty-eight hours in any other workweek in that year,

at a rate not less than one and one-half times the regular rate at which he is employed; or".

(2) Effective January 1, 1975, section 13(b)(25) is amended—

(A) by striking out "seventy-two" and inserting in lieu thereof "sixty-six";

(B) by striking out "sixty-four" and inserting in lieu thereof "sixty";

(C) by striking out "fifty-four" and inserting in lieu thereof "fifty";

(D) by striking out "and" at the end of subparagraph (C); and

(E) by striking out "forty-eight hours in any other workweek in that year" and inserting in lieu thereof the following: "forty-six hours in any workweek for not more than two workweeks in that year, and

"(E) forty-four hours in any other workweek in that year,".

(3) Effective January 1, 1976, section 13(b)(25) is amended—

(A) by striking out "sixty-six" and inserting in lieu thereof "sixty";

(B) by striking out "sixty" and inserting in lieu thereof "fifty-six";

(C) by striking out "fifty" and inserting in lieu thereof "forty-eight";

(D) by striking out "forty-six" and inserting in lieu thereof "forty-four"; and

(E) by striking out "forty-four" and inserting in lieu thereof "forty".

LOCAL TRANSIT EMPLOYEES

SEC. 21. (a) Section 7 is amended by adding after the subsection added by section 9(a) of this Act the following new subsection:

"(n) In the case of an employee of an employer engaged in the business of operating a street, suburban, or interurban electric railway, or local trolley or motorbus carrier (regardless of whether or not such railway or carrier is public or private or operated for profit or not for profit) in determining the hours of employment of such an employee to which the rate prescribed by subsection (a) applies there shall be excluded the hours such employee was employed in charter activities by such employer if (1) the employee's employment in such activities was pursuant to an agreement or understanding with his employer arrived at before engaging in such employment, and (2) if employment in such activities is not part of such employee's regular employment."

(b)(1) Section 13(b)(7) (relating to employees of street, suburban, or interurban electric railways or local trolley or motorbus carriers) is amended by striking out ", if the rates and services of such railway or carrier are subject to regulation by a State or local agency" and inserting in lieu thereof the following: "(regardless of whether or not such railway or carrier is public or private or operated for profit or not for profit), if such employee receives compensation for employment in excess of forty-eight hours in any workweek at a rate not less than one and one-half times the regular rate at which he is employed."

(2) Effective one year after the effective date of the Fair Labor Standards Amendments of 1974, such section is amended by striking out "forty-eight hours" and inserting in lieu thereof "forty-four hours".

(3) Effective two years after such date, such section is repealed.

COTTON AND SUGAR SERVICES EMPLOYEES

SEC. 22. Section 13 is amended by adding after the subsection added by section 18(a) the following:

"(h) The provisions of section 7 shall not apply for a period or periods of not more than fourteen workweeks in the aggregate in any calendar year to any employee who—

"(1) is employed by such employer—

"(A) exclusively to provide services necessary and incidental to the ginning of cotton in an establishment primarily engaged in the ginning of cotton;

"(B) exclusively to provide services necessary and incidental to the receiving, handling, and storing of raw cotton and the compressing of raw cotton when performed at a cotton warehouse or compress-warehouse facility, other than one operated in conjunction with a cotton mill, primarily engaged in storing and compressing;

"(C) exclusively to provide services necessary and incidental to the receiving, handling, storing, and processing of cottonseed in an establishment primarily engaged in the receiving, handling, storing, and processing of cottonseed; and

"(D) exclusively to provide services necessary and incidental to the processing of sugar cane or sugar beets in an establishment primarily engaged in the processing of sugar cane or sugar beets; and".

"(2) receiver for—

"(A) such employment by such employer which is in excess of ten hours in any workday, and

"(B) such employment by such employer which is in excess of forty-eight hours in any workweek,

compensation at a rate not less than one and one-half times the regular rate at which he is employed.

Any employer who receives an exemption under this subsection shall not be eligible for any other exemption under this section or section 7.".

OTHER EXEMPTIONS

SEC. 23. (a)(1) Section 13(a)(9) (relating to motion picture theater employees) is repealed.

(2) Section 13(b) is amended by adding after paragraph (25) the following new paragraph:

"(26) any employee employed by an establishment which is a motion picture theater;".

(b)(1) Section 13(a)(13) (relating to small logging crews) is repealed.

(2) Section 13(b) is amended by adding after paragraph (26) the following new paragraph:

"(27) any employee employed in planting or tending trees, cruising, surveying, or felling timber, or in preparing or transporting logs or other forestry products to the mill, processing plant, railroad, or other transportation terminal, if the number of employees employed by his employer in such forestry or lumbering operations does not exceed eight.".

(c) Section 13(b)(2) (insofar as it relates to pipeline employees) is amended by inserting after "employer" the following: "engaged in the operation of a common carrier by rail and".

EMPLOYMENT OF STUDENTS

SEC. 24. (a) Section 14 is amended by striking out subsections (a), (b), and (c) and inserting in lieu thereof the following:

"SEC. 14. (a) The Secretary, to the extent necessary in order to prevent curtailment of opportunities for employment, shall by regulations or by orders provide for the employment of learners, of apprentices, and of messengers employed primarily in delivering letters and messages, under special certificates issued pursuant to regulations of the Secretary, at such wages lower than the minimum wage applicable under section 6 and subject to such limitation as to time, number, proportion, and length of service as the Secretary shall prescribe.

"(b)(1)(A) The Secretary, to the extent necessary in order to prevent curtailment of opportunities for employment, shall by special certificate issued under a regulation or order provide, in accordance with subparagraph (B), for the employment, at a wage rate not less than 85 per centum of the otherwise applicable wage rate in effect under section 6 or not less than $1.60 an hour, whichever is the higher (or in the case of employment in Puerto Rico or the Virgin Islands not described in section 5(e), at a wage rate not less than 85 per centum of the otherwise applicable wage rate in effect under section 6(c)), of full-time students (regardless of age but in compliance with applicable child labor laws) in retail or service establishments.

"(B) Except as provided in paragraph (4)(B), the proportion of student hours of employment under special certificates issued under subparagraph (A) to the total hours of employment of all employees in any retail or service establishment may not exceed (i) such proportion for the corresponding month of the twelve-month period preceding May 1, 1961, (ii) in the case of a retail or service establishment whose employees (other than employees engaged in commerce or in the production of goods for commerce) are covered by this Act for the first time on or after the effective date of the Fair Labor Standards Amendments of 1966 or the Fair Labor Standards Amendments of 1974, such proportion for the corresponding month of the twelve-month period immediately prior to the applicable effective date, or (iii) in the case of a retail or service establishment coming into existence after May 1, 1961, or a retail or service establishment for which records of student hours worked are not available, a proportion of student hours of employment to total hours of employment of all employees based on the practice during the twelve-month period preceding May 1, 1961, in similar establishments of the same employer in the same general metropolitan area in which the new establishment is located, similar establishments of the same employer in the same or nearby counties if the new establishment is not in a metropolitan area, or other establishments of the same general character operating in the community or the nearest comparable community. For the purposes of the preceding sentence, the term 'student hours of employment' means student hours worked at less than $1.00 an hour, except that such term shall

include, in States whose minimum wages were at or above $1.00 an hour in the base year, hours worked by students at the State minimum wage in the base year.

"(2) The Secretary, to the extent necessary in order to prevent curtailment of opportunities for employment, shall by special certificate issued under a regulation or order provide for the employment, at a wage rate not less than 85 per centum of the wage rate in effect under section 6(a)(5) or not less than $1.30 an hour, whichever is the higher (or in the case of employment in Puerto Rico or the Virgin Islands not described in section 5(e), at a wage rate not less than 85 per centum of the wage rate in effect under section 6(c)(3)), of full-time students (regardless of age but in compliance with applicable child labor laws) in any occupation in agriculture.

"(3) The Secretary, to the extent necessary in order to prevent curtailment of opportunities for employment, shall by special certificate issued under a regulation or order provide for the employment by an institution of higher education, at a wage rate not less than 85 per centum of the otherwise applicable wage rate in effect under section 6 or not less than $1.60 an hour, whichever is the higher (or in the case of employment in Puerto Rico or the Virgin Islands not described in section 5(e), at a wage rate not less than 85 per centum of the wage rate in effect under section 6(c)), of full-time students (regardless of age but in compliance with applicable child labor laws) who are enrolled in such institution. The Secretary shall by regulation prescribe standards and requirements to insure that this paragraph will not create a substantial probability of reducing the full-time employment opportunities of persons other than those to whom the minimum wage rate authorized by this paragraph is applicable.

"(4)(A) A special certificate issued under paragraph (1), (2), or (3) shall provide that the student or students for whom it is issued shall, except during vacation periods, be employed on a part-time basis and not in excess of twenty hours in any workweek.

"(B) If the issuance of a special certificate under paragraph (1) or (2) for an employer will cause the number of students employed by such employer under special certificates issued under this subsection to exceed four, the Secretary may not issue such a special certificate for the employment of a student by such employer unless the Secretary finds employment of such student will not create a substantial probability of reducing the full-time employment opportunities of persons other than those employed under special certificates issued under this subsection. If the issuance of a special certificate under paragraph (1) or (2) for an employer will not cause the number of students employed by such employer under special certificates issued under this subsection to exceed four—

"(i) the Secretary may issue a special certificate under paragraph (1) or (2) for the employment of a student by such employer if such employer certifies to the Secretary that the employment of such student will not reduce the full-time employment opportunities of persons other than those employed under special certificates issued under this subsection, and

"(ii) in the case of an employer which is a retail or service establishment, subparagraph (B) of paragraph (1) shall not apply with respect to the issuance of special certificates for such employer under such paragraph.

The requirement of this subparagraph shall not apply in the case of the issuance of special certificates under paragraph (3) for the employment of full-time students by institutions of higher education; except that if the Secretary determines that an institution of higher education is employing students under certificates issued under paragraph (3) but in violation of the requirements of that paragraph or of regulations issued thereunder, the requirements of this subparagraph shall apply with respect to the issuance of special certificates under paragraph (3) for the employment of students by such institution.

"(C) No special certificate may be issued under this subsection unless the employer for whom the certificate is to be issued provides evidence satisfactory to the Secretary of the student status of the employees to be employed under such special certificate."

(b) Section 14 is further amended by redesignating subsection (d) as subsection (c) and by adding at the end the following new subsection:

"(d) The Secretary may by regulation or order provide that sections 6 and 7 shall not apply with respect to the employment by any elementary or secondary school of its students if such employment constitutes, as determined under regulations prescribed by the Secretary, an integral part of the regular education program provided by such school and such employment is in accordance with applicable child labor laws."

(c) Section 4(d) is amended by adding at the end thereof the following new sentence: "Such report shall also include a summary of the special certificates issued under section 14(b)."

CHILD LABOR

SEC. 25. (a) Section 12 (relating to child labor) is amended by adding at the end thereof the following new subsection:

"(d) In order to carry out the objectives of this section, the Secretary may by regulation require employers to obtain from any employee proof of age."

(b) Section 13(c)(1) (relating to child labor in agriculture) is amended to read as follows:

"(c)(1) Except as provided in paragraph (2), the provisions of section 12 relating to child labor shall not apply to any employee employed in agriculture outside of school hours for the school district where such employee is living while he is so employed, if such employee—

"(A) is less than twelve years of age and (i) is employed by his parent, or by a person standing in the place of his parent, on a farm owned or operated by such parent or person, or (ii) is employed, with the consent of his parent or person standing in the place of his parent, on a farm, none of the employees of which are (because of section 13(a)(6)(A)) required to be paid at the wage rate prescribed by section 6(a)(5),

"(B) is twelve years or thirteen years of age and (i) such employment is with the consent of his parent or person standing in the place of his parent, or (ii) his parent or such person is employed on the same farm as such employee, or

"(c) is fourteen years of age or older.".

(c) Section 16 is amended by adding at the end thereof the following new subsection:

"(e) Any person who violates the provisions of section 12, relating to child labor, or any regulation issued under that section, shall be subject to a civil penalty of not to exceed $1,000 for each such violation. In determining the amount of such penalty, the appropriateness of such penalty to the size of the business of the person charged and the gravity of the violation shall be considered. The amount of such penalty, when finally determined, may be—

"(1) deducted from any sums owing by the United States to the person charged;

"(2) recovered in a civil action brought by the Secretary in any court of competent jurisdiction,, in which litigation the Secretary shall be represented by the Solicitor of Labor; or

"(3) ordered by the court in an action brought under section 15(a)(4), to be paid to the Secretary.

Any administrative determination by the Secretary of the amount of such penalty shall be final, unless within fifteen days after receipt of notice thereof by certified mail the person charged with the violation takes exception to the determination that the violation for which the penalty is imposed occurred, in which event final determination of the penalty shall be made in an administrative proceeding after opportunity for hearing in accordance with section 554 of title 5, United States Code, and regulations to be promulgated by the Secretary. Sums collected as penalties pursuant to this section shall be applied toward reimbursement of the costs of determining the violations and assessing and collecting such penalties, in accordance with the provisions of section 2 of an Act entitled 'An Act to authorize the Department of Labor to make special statistical studies upon payment of the cost thereof, and for other purposes' (29 U.S.C. 9a)."

SUITS BY SECRETARY FOR BACK WAGES

SEC. 26. The first three sentences of section 16(c) are amended to read as follows: "The Secretary is authorized to supervise the payment of the unpaid minimum wages or the unpaid overtime compensation owing to any employee or employees under section 6 or 7 of this Act, and the agreement of any employee to accept such payment shall upon payment in full constitute a waiver by such employee of any right he may have under subsection (b) of this section to such unpaid minimum wages or unpaid overtime compensation and an additional equal amount as liquidated damages. The Secretary may bring an action in any court of competent jurisdiction to recover the amount of the unpaid minimum wages or overtime compensation and an equal amount as liquidated damages. The right provided by subsection (b) to bring an action by or on behalf of any employee and of any employee to become a party plaintiff to any such action shall terminate upon the filing of a complaint by the Secretary in an action under this subsection in which a recovery is sought of unpaid minimum wages or unpaid overtime compensation under sections 6 and 7 or liquidated or other damages provided by this subsection owing to such employee by an employer liable under the provision of subsection (b), unless such action is dismissed without prejudice on motion of the Secretary."

ECONOMIC EFFECTS STUDIES

SEC. 27. Section 4(d) is amended by—

(1) inserting "(1)" immediately after "(d)",

(2) inserting in the second sentence after the term "minimum wages" the following: "and overtime coverage"; and

(3) by adding at the end thereof the following new paragraphs:

"(2) The Secretary shall conduct studies on the justification or lack thereof for each of the special exemptions set forth in section 13 of this Act, and the extent to which such exemptions apply to employees of establishment described in subsection (g) of such section and the economic effects of the application of such exemptions to such employees. The Secretary shall submit a report of his findings and recommendations to the Congress with respect to the studies conducted under this paragraph not later than January 1, 1976.

"(3) The Secretary of Labor shall conduct a study on means to prevent curtailment of employment opportunities among manpower groups which have had historically high incidences of unemployment, such as disadvantaged minorities, youth, elderly, and such other groups the Secretary may designate. Such studies shall include suggestions under the authority that the Secretary of Labor has available under section 14 of the Fair Labor Standards Act and shall be transmitted to the Congress one year after the effective date of these amendments and thereafter at two-year intervals after the effective date of these amendments."

AGE DISCRIMINATION

SEC. 28. (1) the first sentence of section 11 (b) of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 630(b)) is amended by striking out "twenty-five" and inserting in lieu thereof "twenty".

Nondiscrimination on Account of Age in Government Employment

(2) The second sentence of section 11(b) is amended to read as follows: "The term also means (1) any agent of such a person, and (2) a State or political subdivision of a State and any agency or instrumentality of a State or a political subdivision of a State, and any interstate agency, but such term does not include the United States, or a corporation wholly owned by the Government of the United States.".

(3) Section 11(c) of such Act is amended by striking out ", or an agency of a State or political subdivision of a State, except that such term shall include the United States Employment Service and the system of State and local employment services receiving Federal assistance".

(4) Section 11(f) of such Act is amended to read as follows:

"(f) The term 'employee' means an individual employed by any employer except that the term 'employee' shall not include any person elected to public office in any State or political subdivision of any State by the qualified voters thereof, or any person chosen by such officer to be on such officer's personal staff, or an appointee on the policy-making level or an immediate adviser with respect to the exercise of the constitutional or legal powers of the office. The exemption set forth in the preceding sentence shall not include employees subject to the civil service laws of a State government, governmental agency, or political subdivision."

(5) Section 16 of such Act is amended by striking the figure "$3,000,000", and inserting in lieu thereof "$5,000,000".

(b)(1) The Age Discrimination in Employment Act of 1967 is amended by redesignating sections 15 and 16, and all references thereto, as section 16 and section 17, respectively.

(2) The Age Discrimination in Employment Act of 1967 is further amended by adding immediately after section 14 the following new section:

"NONDISCRIMINATION ON ACCOUNT OF AGE IN FEDERAL GOVERNMENT EMPLOYMENT

"SEC. 15. (a) All personnel actions affecting employees or applicants for employment (except with regard to aliens employed outside the limits of the United States) in military departments as defined in section 102 of title 5, United States Code, in executive agencies as defined in section 105 of title 5, United States Code (including employees and applicants for employment who are paid from nonappropriated funds), in the United States Postal Service and the Postal Rate Commission, in those units in the government of the District of Columbia having positions in the competitive service, and in those units of the legislative and judicial branches of the Federal Government having positions in the competitive service, and in the Library of Congress shall be made free from any discrimination based on age.

"(b) Except as otherwise provided in this subsection, the Civil Service Commission is authorized to enforce the provisions of subsection (a) through appropriate remedies, including reinstatement or hiring of employees with or without backpay, as will effectuate the policies of this section. The Civil Service Commission shall issue such rules, regulations, orders, and instructions as it deems necessary and appropriate to carry out its responsibilities under this section. The Civil Service Commission shall—

"(1) be responsible for the review and evaluation of the operation of all agency programs designed to carry out the policy of this section, periodically obtaining and publishing (on at least a semiannual basis) progress reports from each such department, agency, or unit;

"(2) consult with and solicit the recommendations of interested individuals, groups, and organizations relating to nondiscrimination in employment on account of age; and

"(3) provide for the acceptance and processing of complaints of discrimination in Federal employment on account of age.

The head of each such department, agency, or unit shall comply with such rules, regulations, orders, and instructions of the Civil Service Commission which shall include a provision that an employee or applicant for employment shall be notified of any final action taken on any complaint of discrimination filed by him thereunder. Reasonable exemptions to the provisions of this section may be established by the Commission but only when the Commission has established a maximum age requirement on the basis of a determination that age is a bona fide occupational qualification necessary to the performance of the duties of the position. With respect to employment in the Library of Congress, authorities granted in this subsection to the Civil Service Commission shall be exercised by the Librarian of Congress.

"(c) Any person aggrieved may bring a civil action in any Federal district court of competent jurisdiction for such legal or equitable relief as will effectuate the purposes of this Act.

"(d) When the individual has not filed a complaint concerning age discrimination with the Commission, no civil action may be commenced by any individual under this section until the individual has given the Commission not less than thirty days' notice of an intent to file such action. Such notice shall be filed within one hundred and eighty days after the alleged unlawful practice occurred. Upon receiving a notice of intent to sue, the Commission shall promptly notify all persons named therein as prospective defendants in the action and take any appropriate action to assure the elimination of any unlawful practice.

"(e) Nothing contained in this section shall relieve any Government agency or official of the responsibility to assure nondiscrimination on account of age in employment as required under any provision of Federal law."

EFFECTIVE DATE

SEC. 29. (a) Except as otherwise specifically provided, the amendments made by this Act shall take effect on the first day of the first full month which begins after the date of the enactment of this Act.

(b) Notwithstanding subsection (a), on and after the date of the enactment of this Act the Secretary of Labor is authorized to prescribe necessary rules, regulations, and orders with regard to the amendments made by this Act.

Mr. JAVITS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. WILLIAMS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AUTHORIZATION FOR SECRETARY OF SENATE TO MAKE TECHNICAL AND CLERICAL CORRECTIONS IN ENGROSSMENT OF S. 2747

Mr. WILLIAMS. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make technical and clerical corrections in the engrossment of the bill, S. 2747, and that the bill be printed as passed in the Senate.

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

Mr. MANSFIELD. Mr. President, I ask unanimous consent that Calendar No. 523, S. 2727 be indefinitely postponed.

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

Mr. MANSFIELD. Mr. President, I simply wish to commend the Committee on Labor and Public Welfare, and particularly its able chairman, the distinguished Senator from New Jersey (Mr. WILLIAMS), for the outstanding manner in which the minimum wage proposal was handled.

This measure represents a matter of the highest priority insofar as the Senate is concerned. To the millions who are benefited will go vital relief in filling the need to maintain a minimum standard of living. Passage of the proposal represents a fine achievement for Senator WILLIAMS, for the committee and for the entire Senate.

I wish, too, to thank Senator JAVITS for his great leadership. As always, his cooperative efforts and enormous legislative skill were indispensable.

The Senate is indebted as well to the many members who joined with comments, appraisals, and suggestions. But particularly the Senate is grateful to the cooperation exhibited by all in joining to assure such efficient action. Senator DOMINICK, Senator TAFT, Senator BUCKLEY, and others deserve special mention for aiding in these efforts.

Once again, however, Senator WILLIAMS has gained another magnificent achievement in his already abundant record book of public service.

Mr. WILLIAMS. Mr. President, final action on this major piece of legislation of such significant meaning to millions of working people would be incomplete without an expression of gratitude to the men and women of the Labor subcommittee staff who have worked so long, hard, and patiently to insure that all essential information and consultation were available to the Senate.

The members of the majority staff of the Subcommittee on Labor, Donald Elisburg, Jane Conley, Jeanette Smith, Joan Killiany, and Pat Garza, who performed so well, were directed to Gerald Feder in exemplary professional fashion.

My deep appreciation also extends to all the minority staff members, who were directed by Gene Mittelman with great dedication and skill.

ORDER OF BUSINESS—UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent, with the approval of the distinguished Republican leader and the chairman of the committee on the housing bill, that when the housing bill is called up it will be the pending business at the conclusion of the session of the Senate today.

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

Mr. ROBERT C. BYRD. Mr. President, I am authorized by the distinguished majority leader to make the following unanimous-consent request.

I ask unanimous consent that on the housing bill there be a time limitation of 4 hours, that there be a limitation of 2 hours on each amendment, and that on any amendment there be a limitation

of 30 minutes, and on any debatable motion or appeal, there be a limitation of 20 minutes with the exception of five amendments to be offered by the Senator from New York (Mr. JAVITS), on one of which there will be 2 hours, and on each of the others there will be 1 hour, and that the agreement be in the usual form.

Mr. TOWER. Mr. President, reserving the right to object, and I do not intend to object, did the Senator except the five amendments of the Senator from New York from the rule of germaneness?

Mr. ROBERT C. BYRD. I did. I did not have an opportunity to know about that. However, I have included them.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia? The Chair hears none, and it is so ordered.

The text of the unanimous-consent agreement is as follows:

Ordered, That, during the consideration of S. 3036, a bill to consolidate, simplify, and improve laws relative to housing and housing assistance, to provide Federal assistance in support of community development activities, and for other purposes, debate on any amendment (except five amendments to be offered by the Senator from New York (Mr. Javits), on one of which there shall be 2 hours debate, with 1 hour debate on each of the remaining four amendments none of which must be germane) shall be limited to 30 minutes, to be equally divided and controlled by the mover of the amendment and the manager of the bill, and that debate on any debatable motion or appeal shall be limited to 20 minutes, to be equally divided and controlled by the mover of such and the manager of the bill: *Provided*, That in the event the manager of the bill is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or his designee: *Provided further*, That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of the final passage of the said bill debate shall be limited to 4 hours, to be equally divided and controlled, respectively, by the majority and minority leaders, or their designees: *Provided*, That the said leaders, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, debatable motion or appeal.

REFERRAL OF INDIAN SELF-DETERMINATION AND EDUCATIONAL REFORM ACT

Mr. JACKSON. Mr. President, I call up Calendar Order No. 658, S. 1017.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

Calendar No. 658, S. 1017, a bill to promote maximum Indian participation in the Government and education of the Indian people; to provide for the full participation of Indian tribes in certain programs and services conducted by the Federal Government for Indians and to encourage the development of the human resources of the Indian people; to establish and carry out a national Indian education program; to encourage the establishment of local Indian school control; to train professionals in Indian education; to establish an Indian youth intern program; and for other purposes.

Mr. JACKSON. Mr. President, this is a matter involving Indian education. I have had a number of discussions with the various Indian groups, with the distinguished senior Senator from Massachusetts (Mr. KENNEDY), and with the chairman of the Subcommittee on Indian Affairs of the Committee on Interior and Insular Affairs, the junior Senator from South Dakota (Mr. ABOUREZK).

The facts are that there are some misunderstandings regarding the interpretations of the language in the bill, particularly with reference to title II, subsection (a).

There may be some other matters also in which there seems to be some divergence within the Indian community.

Under these circumstances—and all of us are desirous of getting a bill that will be representative certainly of the overwhelming majority of the Indian people—in order to achieve that purpose, it will be my suggestion that this matter be rereferred to the Committee on Interior and Insular Affairs for a period of 10 days, not including the time in which we will be in recess next week.

I have discussed this matter with the Senator from Texas.

Mr. TOWER. Mr. President, Senators FANNIN and MCCLURE would like to be notified on this matter. I would like to check to see if they are satisfied with this procedure before I agree to it.

Mr. JACKSON subsequently said: Mr. President, I have cleared this matter with the minority. I understand that there is no objection.

I would like first, Mr. President, to yield briefly to the senior Senator from Massachusetts (Mr. KENNEDY).

Mr. KENNEDY. Mr. President, I think this is a sound procedure that we are following in attempting to eliminate some of these questions that have been raised by a number of the Indian people.

We have had an opportunity to talk with the chairman of the Interior and Insular Affairs Committee and with the members of the staff about some of the questions that have been raised with me and with other Members of the Senate.

It will only go back to the committee for a period of 10 days. The chairman of the committee understands that there are a greater number of different provisions in the legislation and the Indian people want an expeditious consideration of those provisions.

Mr. President, there is strong and overwhelming support on the great majority of the legislation to be considered. However, there are certain provisions, particularly title II, subsection (a), that should be reviewed.

I am very hopeful and confident that the Indian peoples suggestions and recommendations will be reflected in the final results.

I want to thank the chairman of the Committee on Interior and Insular Affairs for taking this step and giving the opportunity to the Indian people to express their views on those particular measures.

I look forward to an early passage of this legislation and hopefully an early enactment of it into law.

Mr. JACKSON. Mr. President, may I just say that the distinguished Senator from Massachusetts has taken a great interest in this area over a long period of time. Both he and his staff have been most cooperative, and I do believe, as he does, that this will serve a useful purpose in clarifying some of the misunderstandings that have arisen.

Over all, I think we all agree that it is a good bill, but it is important that we clear up these matters in the committee room rather than on the floor of the Senate, so we will avoid further misunderstanding.

I thank the Senator from Massachusetts, and I likewise want to express my deep appreciation to the chairman of the subcommittee who is doing such a fine job in handling the Indian legislation before our committee, the distinguished junior Senator from South Dakota (Mr. ABOUREZK).

Mr. ABOUREZK. Mr. President, I would likewise like to say I think this is a good procedure to clear up the misunderstanding on part A of title II. There is broad support for all of the rest of the bill. I wish that it were possible to retain that and to pass it on over to the House of Representatives; nevertheless, I think that we can do this very adequately and still come back in 10 days.

I ask the chairman of the Committee on Interior and Insular Affairs, if I may get his attention, am I correct in understanding that it automatically returns to the Senate floor in 10 days?

Mr. JACKSON. The Senator is correct. I will make the motion, or make a unanimous-consent request either way to that effect.

In order to handle the matter properly, I am advised that we should have the specific date. If we exclude the recess dates, the time it is to be reported back would be Monday, March 25. I will make the request that way, and then there will be no dispute that it automatically comes back.

Mr. President, I ask unanimous consent that S. 1017 be rereferred at this time to the Committee on Interior and Insular Affairs, with instructions to report the bill back, as amended or otherwise, on March 25, 1974.

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

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendar No. 702, S. 265, and Calendar Order No. 701, S. 1688, in that order.

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

SALE OF MINERAL RIGHTS IN CERTAIN LANDS IN UTAH

The Senate proceeded to consider the bill (S. 265) to authorize the Secretary of the Interior to sell certain mineral rights in certain lands located in Utah to the record owner thereof which had been reported from the Committee on Interior and Insular Affairs with an amendment on page 3, line 6, after the word "interest", insert "to"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior is authorized and directed to convey, sell, and quitclaim all mineral interests now owned by the United

States to the record owner of the surface and a one-half undivided interest in the minerals, in and to the following described land in Utah County, Utah:

Beginning at a point south 151.8 feet and west 0.27 feet from the north quarter corner of section 17, township 5 south, range 2 east, Salt Lake base and meridian, and running thence south 89 degrees, 54 minutes east 62.0 feet; thence north 0 degrees 05 minutes east 152.1 feet; thence north 89 degrees 29 minutes 44 seconds east 70 feet; thence south 0 degrees 06 minutes west 165.62 feet; thence south 89 degrees 54 minutes east 164.97 feet; thence north 0 degrees 06 minutes east 137 feet; thence north 89 degrees 51 minutes east 16.5 feet; thence south 0 degrees 06 minutes west 137 feet; thence south 39 degrees 20 minutes west 135 feet; thence south 51 degrees 07 minutes east 660 feet; thence north 88 degrees 40 minutes west 268.8 feet; thence south 0 degrees 23 minutes 30 seconds west 1,262.9 feet along a fence line; thence north 89 degrees 46 minutes west 364.2 feet; thence south 89 degrees 06 minutes 30 seconds west 133.2 feet; thence north 1 degree 17 minutes 30 seconds east 1,323.2 feet thence east 4.34 feet; thence north 0 degrees 06 minutes east 466.7 feet, more or less to the point of beginning.

SEC. 2. The Secretary shall require the deposit of a sum of money which he deems sufficient to cover estimated administrative costs of this Act. If a conveyance is not made pursuant to this Act, and the administrative costs exceed the deposit, the Secretary shall bill the applicant for the outstanding amount, but if the amount of the deposit exceeds the actual administrative costs, the Secretary shall refund the excess.

SEC. 3. No conveyance shall be made unless application for conveyance is filed with the Secretary within six months of the date of approval of this Act and unless within the time specified by him payment is made to the Secretary of (1) administrative costs of the conveyance and (2) the fair market value of the interest to be conveyed. The amount of the payment required shall be the difference between the amount deposited and the full amount required to be paid under this section. If the amount deposited exceeds the full amount required to be paid, the applicant shall be given a credit or refund for the excess.

SEC. 4. The term "administrative costs" as used in this Act includes, but is not limited to, all costs of (1) conducting an exploratory program to determine the character of the mineral deposits in the land, (2) evaluating the data obtained under the exploratory program to determine the fair market value of the mineral rights to be conveyed, and (3) preparing and issuing the instrument of conveyance.

SEC. 5. Moneys paid to the Secretary for administrative costs shall be paid to the agency which rendered the service, and deposited to the appropriation then current. Moneys paid for the minerals or mineral interests conveyed shall be deposited into the general fund of the Treasury as miscellaneous receipts.

The amendment was agreed to.

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

PROTECTION OF PRIVACY AND THE RIGHTS OF FEDERAL EMPLOYEES

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 701, S. 1688.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 1688) to protect the civilian employees of the executive branch of the United States Government in the enjoyment of their constitutional rights and to prevent unwarranted governmental invasions of their privacy.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its consideration.

Mr. ERVIN. Mr. President, this bill, or rather bills in the form of the present bill, have passed the Senate on five separate occasions in the 90th, 91st, and 92d Congresses.

This bill is cosponsored by more than 40 Senators, of all political philosophies, on both sides of the aisle. The bill passed the first time, in its original form, with only four dissenting votes. On all other occasions the bill has passed unanimously.

It is a bill of major importance designed to protect the rights of privacy and other fundamental rights of Federal employees. I would like to pay tribute to many Senators for their part in the formulation of this bill over the years, and particularly to the distinguished senior Senator from Nebraska (Mr. HRUSKA).

The bill, as I say, is of extreme importance. The development of the bill and the reasons for it are matters set forth in the report of the committee. In view of the importance of the measure, I ask unanimous consent that the committee report (No. 93–724) be printed in full in the RECORD at this point.

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

PROTECTING PRIVACY AND THE RIGHTS OF FEDERAL EMPLOYEES

The Subcommittee on Constitutional Rights to which was referred the bill S. 1688 to protect civilian employees of the executive branch of the U.S. Government in the enjoyment of their constitutional rights and to prevent unwarranted governmental invasions of their privacy, having considered the same, reports favorably thereon without amendments and recommends that the bill do pass.

S. 1688 is identical to S. 1438 as unanimously reported by the committee and unanimously approved by the Senate in the last Congress. The report on S. 1438 is therefore reprinted below as approved by the committee.

PURPOSE

The purpose of the bill is to prohibit indiscriminate executive branch requirements that employees and, in certain instances, applicants for Government employment disclose their race, religion, or national origin; attend Government-sponsored meetings and lectures or participate in outside activities unrelated to their employment; report on their outside activities or undertakings unrelated to their work; submit to questioning about their religion, personal relationships or sexual attitudes through interviews, psychological tests, or polygraphs; support political candidates or attend political meetings. The bill would make it illegal to coerce an employee to buy bonds or make charitable contributions. It prohibits officials from requiring him to disclose his own personal assets, liabilities, or expenditures, or those of any member of his family unless, in the case of certain specified employees, such items would tend to show a conflict of interest. It would provide a right to have a counsel or other person present, if the employee wishes, at an interview which may lead to disciplinary proceedings. It would accord the right to a civil action in a Federal court for violation or threatened violation of the act, and it would establish a Board on Employees' Rights to receive and conduct hearings on complaints of violation of the act and to determine and administer remedies and penalties.

STATEMENT

The subcommittee has found a threefold need for this legislation. The first is the immediate need to establish a statutory basis for the preservation of certain rights and liberties of those who work for government now and those who will work for it in the future. The bill, therefore, not only remedies problems of today but looks to the future, in recognition of the almost certain enlargement of the scope of Federal activity and the continuing rise in the number of Americans employed by their Federal Government or serving it in some capacity.

Second, the bill meets the Federal Government's need to attract the best qualified employees and to retain them. As the former Chairman of the Civil Service Commission, Robert Ramspeck, testified:

"Today, the Federal Government affects the lives of every human being in the United States. Therefore, we need better people today, better qualified people, more dedicated people, in Federal service than we ever needed before. And we cannot get them if you are going to deal with them on the basis of suspicion, and delve into their private lives, because if there is anything the average American cherishes, it is his right of freedom of action, and his right to privacy. So I think this bill is hitting at an evil that has grown up, maybe not intended, but which is hurting the ability of the Federal Government to acquire the type of personnel that we must have in the career service."

Third is the growing need for the beneficial influence which such a statute would provide in view of the present impact of Federal policies, regulations and practices on those of State and local government and of private business and industry. An example of the interest demonstrated by governmental and private employers is the following comment by Allan Graham, secretary of the Civil Service Commission of the city of New York:

"It is my opinion, based on over 25 years of former Government service, including some years in a fairly high managerial capacity, that your bill, if enacted into law, will be a major step to stem the tide of "Big Brotherism," which constitutes a very real threat to our American way of life.

"In my present position as secretary of the Civil Service Commission of the city of New York, I have taken steps to propose the inclusion of several of the concepts of your bill into the rules and regulations of the city civil service commission."

Passage of the bill will signify congressional recognition of the threats to individual privacy posed by an advanced technology and by increasingly more complex organizations. Illustrating these trends is the greatly expanded use of computers and governmental and private development of vast systems for the efficient gathering of information and for data storage and retrieval. While Government enjoys the benefit of these developments, there is at the same time an urgent need for defining the areas of individual liberty and privacy which should be exempt from the unwarranted intrusions facilitated by scientific techniques.

As Prof. Charles Reich of Yale Law School has stated, this bill "would be a significant step forward in defining the right of privacy today."

"One of the most important tasks which faces the Congress and State legislatures in the next decade is the protection of the citizen against invasion of privacy," states Prof. Stanley Anderson of the University of California, Santa Barbara. "No citizens," in

his opinion, "are in more immediate danger of incursion into private affairs than Government employees. When enacted the bill will provide a bulwark of protection against such incursions."

The bill is based on several premises which the subcommittee investigation has proved valid for purposes of enacting this legislation. The first is that civil servants do not surrender the basic rights and liberties which are their due as citizens under the Constitution of the United States by their action in accepting Government employment. Chief among these constitutional protections is the first amendment, which protects the employee to privacy in his thoughts, beliefs and attitudes, to silence in his action and participation or his inaction and nonparticipation in community life and civic affairs. This principle is the essence of constitutional liberty in a free society.

The constitutional focus of the bill was emphasized by Senator Ervin in the following terms when he introduced S. 1035 on February 21, 1967:

"If this bill is to have any meaning for those it affects, or serve as a precedent for those who seek guidance in these matters, its purpose must be phrased in constitutional terms. Otherwise its goals will be lost.

"We must have as our point of reference the constitutional principles which guide every official act of our Federal Government. I believe that the Constitution, as it was drafted and as it has been implemented, embodies a view of the citizen as possessed of an inherent dignity and as enjoying certain basic liberties. Many current practices of Government affecting employees are unconstitutional; they violate not only the letter but the very spirit of the Constitution.

"I introduced this bill originally because I believe that, to the extent it has permitted or authorized unwarranted invasion of employee privacy and unreasonable restrictions on their liberty, the Federal Government has neglected its constitutional duty where its own employees are concerned, and it has failed in its role as the model employer for the Nation.

"Second, although it is a question of some dispute, I hold that Congress has a duty under the Constitution not only to consider the constitutionality of the laws it enacts, but to assure as far as possible that those in the executive branch responsible for administering the laws adhere to constitutional standards in their programs, policies, and administrative techniques."

The committee believes that it is time for Congress to forsake its reluctance to tell the executive branch how to treat its employees. When so many American citizens are subject to unfair treatment, to being unreasonably coerced or required without warrant to surrender their liberty, their privacy, or their freedom to act or not to act, to reveal or not to reveal information about themselves and their private thoughts and actions, then Congress has a duty to call a statutory halt to such practices. It has a duty to remind the executive branch that even though it might have to expend a little more time and effort to obtain some favored policy goal, the techniques and tools must be reasonable and fair.

Each section of the bill is based on evidence from many hundreds of cases and complaints showing that generally in the Federal service, as in any similar organizational situation, a request from a superior is equivalent to a command. This evidence refutes the argument that an employee's response to a superior's request for information or action is a voluntary response, and that an employee "consents" to an invasion of his privacy or the curtailment of his liberty. Where his employment opportunities are at stake, where there is present the economic coercion to submit to questionable practices which are contrary to our constitutional values, then the presence of consent or voluntarism may be open to serious doubt. For this reason the bill makes it illegal for officials to "request" as well as to "require" an employee to submit to certain inquiries or practices or to take certain actions.

Each section of the bill reflects a balancing of the interests involved: The interest of the Government in attracting the best qualified individuals to its service; and its interest in pursuing laudable goals such as protecting the national security, promoting equal employment opportunities, assuring mental health, or conducting successful bond-selling campaigns. There is, however, also the interest of the individual in protection of his rights and liberties as a private citizen. When he becomes an employee of his Government, he has a right to expect that the policies and practices applicable to him will reflect the best values of his society.

The balance of interests achieved assures him this right. While it places no absolute prohibition on Government inquiries, the bill does assure that restrictions on his rights and liberties as a Government employee are reasonable ones.

A Senator Bible stated:

"There is a line between what is Federal business and what is personal business, and Congress must draw that line. The right of privacy must be spelled out."

The weight of evidence, as Senator Fong has said: "points to the fact that the invasions of privacy under threats and coercion and economic intimidation are rampant in our Federal civil service system today. The degree of privacy in the lives of our civil servants is small enough as it is, and it is still shrinking with further advances in technical know-how. That these citizens are being forced by economic coercion to surrender this precious liberty in order to obtain and hold jobs is an invasion of privacy which should disturb every American. I, therefore, strongly believe that congressional action to protect our civil servants is long overdue."

The national president of the National Association of Internal Revenue Employees, Vincent Connery, told the Subcommittee of this proposal in the 89th Congress:

"Senate bill 3779 is soundly conceived and perfectly timed. It appears on the legislative scene during a season of public employee unrest, and a period of rapidly accelerating demand among Federal employees for truly first-class citizenship. For the first time within my memory, at least, a proposed bill holds out the serious hope of attaining such a citizenship. S. 3779, therefore, amply deserves the fullest support of all employee organizations, both public and private, federation affiliated, and independent alike."

Similar statements endorsing the broad purpose of the bill were made by many others, including the following witnesses:

John F. Griner, national president, American Federation of Government Employees.

E. C. Hallbeck, national president, United Federation of Postal Clerks.

Jerome Keating, president, National Association of Letter Carriers.

Kenneth T. Lyons, national president, National Association of Government Employees.

John A. McCart, operations director, Government Employees Council of AFL–CIO.

Hon. Robert Ramspeck, former Chairman, Civil Service Commission.

Vincent Jay, executive vice president, Federal Professional Association.

Francis J. Speh, president, 14th District Department, American Federation of Government Employees.

Lawrence Speiser, director, Washington office, American Civil Liberties Union.

Nathan Wolkomir, national president, National Federation of Federal Employees.

LEGISLATIVE HISTORY

Following is a chronological account of committee action on this legislation to date.

S. 1688 was preceded by S. 1438 of the 92d Congress, S. 782 of the 91st Congress, by S. 1035 of the 90th Congress, and by S. 3079 and S. 3703 of the 89th Congress.

Violations of rights covered by the bill as well as other areas of employee rights have been the subject of intensive hearings and investigation by the subcommittee for the last five Congresses.

In addition to investigation of individual cases, the Subcommittee on Constitutional Rights has conducted annual surveys of agency policies on numerous aspects of Government personnel practices. In 1965, pursuant to Senate Resolution 43, hearings were conducted on due process and improper use of information acquired through psychological testing, psychiatric examinations, and security and personnel interviews.

In a letter to the Chief Executive on August 3, 1966, the subcommittee chairman stated:

"For some time, the Constitutional Rights Subcommittee has received disturbing reports from responsible sources concerning violations of the rights of Federal employees. I have attempted to direct the attention of appropriate officials to these matters, and although replies have been uniformly courteous, the subcommittee has received no satisfaction whatsoever, or even any indication of awareness that any problem exists. The invasions of privacy have reached such alarming proportions and are assuming such varied forms that the matter demands your immediate and personal attention.

"The misuse of privacy-invading personality tests for personnel purposes has already been the subject of hearings by the subcommittee. Other matters, such as improper and insulting questioning during background investigations and due process guarantees in denial of security clearances have also been the subject of study. Other employee complaints, fast becoming too numerous to catalog, concern such diverse matters as psychiatric interviews; lie detectors; race questionnaires; restrictions on communicating with Congress; pressure to support political parties yet restrictions on political activities; coercion to buy savings bonds; extensive limitations on outside activities yet administrative influence to participate in agency-approved functions; rules for writing, speaking and even thinking; and requirements to disclose personal information concerning finances, property and creditors of employees and members of their families."

After describing in detail the operation of two current programs to illustrate the problems, Senator Ervin commented:

"Many of the practices now in extensive use have little or nothing to do with an individual's ability or his qualification to perform a job. The Civil Service Commission has established rules and examinations to determine the qualifications of applicants. Apparently, the Civil Service Commission and the agencies are failing in their assignment to operate a merit system for our Federal civil service.

"It would seem in the interest of the administration to make an immediate review of these practices and questionnaires to determine whether the scope of the programs is not exceeding your original intent and whether the violations of employee rights are not more harmful to your long-range goals than the personnel shortcuts involved."

* * * * *

Following this letter and others addressed to the Chairman of the Civil Service Commission and the Secretaries of other departments, legislation to protect employee rights was introduced in the Senate. This proposal, S. 3703 was introduced by the chairman on August 9, 1966, and referred to the Judiciary Committee. On August 25, 1966, the chairman received unanimous consent to a request to add the names of 33 cosponsors to the bill. On August 26, 1966, he introduced a bill similar to S. 3703, containing an amendment reducing the criminal penalties provided in section 2. This bill, S. 3779, was

also referred to the Judiciary Committee, and both S. 3703 and S. 3779 were then referred to the Subcommittee on Constitutional Rights.

Comments on the bill and on problems related to it were made by the chairman in the Senate on July 18, August 9, August 25, August 26, September 29, October 17 and 18, 1966, and on February 21, 1967.[1]

Hearings on S. 3779 were conducted before the subcommittee on September 23, 29, 30, and October 3, 4, and 5, 1966. Reporting to the Senate on these hearings, the subcommittee chairman made the following statement:

"The recent hearings on S. 3779 showed that every major employee organization and union, thousands of individual employees who have written Congress, law professors, the American Civil Liberties Union, and a number of bar associations agree on the need for statutory protections such as those in this measure.

"We often find that as the saying goes 'things are never as bad as we think they are,' but in this case, the hearings show that privacy invasions are worse than we thought they were. Case after case of intimidation, of threats of loss of job or security clearance were brought to our attention in connection with bond sales, and Government charity drives.

"Case after case was cited of privacy invasion and denial of due process in connection with the new financial disclosure requirements. A typical case is the attorney threatened with disciplinary action or loss of his job because he is both unable and unwilling to list all gifts, including Christmas presents from his family, which he had received in the past year. He felt this had nothing to do with his job. There was the supervisory engineer who was told by the personnel officer that he would have to take disciplinary action against the 25 professional employees in his division who resented being forced to disclose the creditors and financial interests of themselves and members of their families. Yet there are no procedures for appealing the decisions of supervisors and personnel officers who are acting under the Commission's directive. These are not isolated instances; rather, they represent a pattern of privacy invasion reported from almost every State.

"The subcommittee was told that supervisors are ordered to supply names of employees who attend PTA meetings and engage in Great Books discussions. Under one department's regulations, employees are requested to participate in specific community activities promoting local and Federal antipoverty, beautification, and equal employment programs; they are told to lobby in local city councils for fair housing ordinances, to go out and make speeches on any number of subjects, to supply flower and grass seed for beautification projects, and to paint other people's houses. When those regulations were brought to the subcommittee's attention several weeks ago, we were told that they were in draft form. Yet, we then discovered they had already been implemented and employees whose official duties had nothing to do with such programs were being informed that failure to participate would indicate an uncooperative attitude and would be reflected in their efficiency records.

"The subcommittee hearings have produced ample evidence of the outright intimidation, arm twisting and more subtle forms of coercion which result when a superior is requested to obtain employee participation in a program. We have seen this in the operation of the bond sale campaign, the drives of charitable contributions, and the use of self-identification minority status questionnaires. We have seen it in the sanctioning of polygraphs, personality tests, and improper questioning of applicants for employment.

"In view of some of the current practices reported by employee organizations and unions, it seems those who endorse these techniques for mind probing and thought control of employees have sworn hostility against the idea that every man has a right to be free of every form of tyranny over his mind; they forget that to be free a man must have the right to think foolish thoughts as well as wise ones. They forget that the first amendment implies the right to remain silent as well as the right to speak freely—the right to do nothing as well as the right to help implement lofty ideals.

"It is not under this administration alone that there has been a failure to respect employee rights in a zeal to obtain certain goals. While some of the problems are new, others have been prevalent for many years with little or no administrative action taken to attempt to ameliorate them. Despite congressional concern, administrative officials have failed to discern patterns of practice in denial of rights. They seem to think that if they can belatedly remedy one case which is brought to the attention of the Congress, the public and the press, that this is enough—that the "heat" will subside. With glittering generalities, qualified until they mean nothing in substance, they have sought to throw Congress off the track in its pursuit of permanent corrective action. We have seen this in the case of personality testing, in the use of polygraphs, and all the practices which the bill would prohibit."

The Chairman of the Civil Service Commission informed the subcommittee that there is no need for a law to protect employee rights. He believes the answer is—

"to permit executive branch management and executive branch employees as individuals and through their unions, to work together to resolve these issues as part of their normal discourse."

It is quite clear from the fearful tenor of the letters and telephone calls received by the subcommittee and Members of Congress that there is no discourse and is not likely to be any discourse on these matters between the Commission and employees. Furthermore, there are many who do not even fall within the Commission's jurisdiction. For them, there is no appeal but to Congress.

As for the argument that the discourse between the unions and the Commission will remedy the wrongs, the testimony of the union representatives adequately demolishes that dream.

The typical attitude of those responsible for personnel management is reflected in Mr. Macy's answer that there may be instances where policy is not adhered to, but "There is always someone who doesn't get the word." Corrective administration action, he says, is fully adequate to protect employee rights.

Administrative action is not sufficient. Furthermore, in the majority of complaints, the wrong actually stems from the stated policy of the agency or the Commission. How can these people be expected to judge objectively the reasonableness and constitutionality of their own policies? This is the role of Congress, and in my opinion, Congress has waited too long as it is to provide the guidance that is desperately needed in these matters.

S. 1035, 90th Congress

On the basis of the subcommittee hearings, agency reports, and the suggestions of many experts, the bill was amended to meet legitimate objectives to the scope and language raised by administrative witnesses and to clarify the intent of its cosponsors that it does not apply to the proper exercise of management authority and supervisory discretion, or to matters now governed by statute.

This amended version of S. 3779 was introduced in the Senate by the chairman on February 21, 1967, as S. 1035 with 54 cosponsors. It was considered by the Constitutional Rights Subcommittee and unanimously reported with amendment by the Judiciary Committee on August 21, 1967. [S. Rept. No. 534, 90th Cong. 1st Sess.] The proposal was considered by the Senate on September 13, 1967, and approved, with floor amendments, by a 79 to 4 vote. After absentee approvals were recorded, the record showed a total of 90 Members supported passage of the bill. The amendments adopted on the Senate floor deleted a complete exemption which the committee bill provided for the Federal Bureau of Investigation; instead, it was provided that the Federal Bureau of Investigation should be accorded the same limited exemptions provided for the Central Intelligence Agency and the National Security Agency. A provision was added to allow the three Directors to delegate the power to make certain personal findings required by section 6 of the bill.

Committee amendments to S. 1035, 90th Congress

1. Amendment to section 1(a) page 2, line 13:

"*Provided further*, That nothing contained in this subsection shall be construed to prohibit inquiry concerning the national origin of any such employee when such inquiry is deemed necessary or advisable to determine suitability for assignment to activities or undertakings related to the national security within the United States or to activities or undertakings of any nature outside the United States."

2. Amendment to section 1(b), page 2, line 25 strike "to" (technical amendment.)

3. Delete section 1(e), page 4, lines 1–4 (prohibitions on patronizing business establishments) and renumber following sections as sections 1(e), (f), (g), (h), (i), (j), (k), and (l), respectively.

4. Delete section 4, page 10, lines 12–23 (criminal penalties), and renumber following sections as sections 4 and 5, respectively.

5. Amendment to section 1(f), page 4, line 25:

"*Provided further, however*, That nothing contained in this subsection shall be construed to prohibit an officer of the department or agency from advising any civilian employee or applicant of a specific charge of sexual misconduct made against that person, and affording him an opportunity to refute the charge."

6. Amendments to section 1(f), page 4, at lines 17 and 19, change "psychiatrist" to "physician".

7. Amendment to section 1(k), page 7, at line 10, change (j) to (i).

8. Amendment to section 2(b), page 9, at line 6 and 9, change "phychiatrist" to "physician".

9. Amendment to section 2(b), page 9, at line 15:

"*Provided further, however*, That nothing contained in this subsection shall be construed to prohibit an officer of the Civil Service Commission from advising any civilian employee or applicant of a specific charge of sexual misconduct made against that person, and affording him an opportunity to refute the charge."

10. Amendment to section 5, page 11, line 21, insert after the word "violation." the following:

"The Attorney General shall defiend all officers or persons sued under this section who acted pursuant to an order, regulation, or directive, or who, in his opinion, did not willfully violate the provisions of this Act."

11. Amendment to section 6(l), page 16, at line 24, strike "sign charges and specifications under section 830 (art. 30)" and insert in lieu thereof "convene general courts-martial under section 222 (art. 22)" (technical amendment).

[1] See also, *Cong. Rec.* Comments.

12. Amendment to section 6(m), page 17, line 14, change subsection (j) to (k) (technical amendment).

13. Amendment, page 18, add new section 6:

"SEC. 6. Nothing contained in this Act shall be construed to prohibit an officer of the Central Intelligence Agency or of the National Security Agency from requesting any civilian employee or applicant to take a polygraph test, or to take a psychological test designed to elicit from him information concerning his personal relationship with any person connnected with him by blood or marriage, or concerning his religious beliefs or practices, or concerning his attitude or conduct with respect to sexual matters, or to provide a personal financial statement, if the Director of the Central Intelligency Agency or the Director of the National Security Agency makes a personal finding with regard to each individual to be so tested or examined that such test or information is required to protect the national security."

14. Amendment, page 18, add new section 8, and renumber following section as section 9:

"SEC. 8. Nothing contained in sections 4 and 5 shall be construed to prevent establishment of department and agency grievance procedures to enforce this Act, but the existence of such procedures shall not preclude any applicant or employee from pursuing the remedies established by this Act or any other remedies provided by law: *Provided, however,* That if under the procedures established, the employee or applicant has obtained complete protection against threatened violations or complete redress for violations, such action may be pleaded in bar in the United States District Court or in proceedings before the Board on Employees' Rights: *Provided further, however,* That if an employee elects to seek a remedy under either section 4 or section 5, he waives his right to proceed by an independent action under the remaining section."

Comparison of S. 1035, 90th Congress, as introduced, and S. 3779, 89th Congress

As introduced, the revised bill, S. 1035, differed from S. 3779 of the 89th Congress in the following respects:

1. The section banning requirements to disclose race, religion, or national origin was amended to permit inquiry on citizenship where it is a statutory condition of employment.

2. The provision against coercion of employees to buy bonds or make charitable donations was amended to make it clear that it does not prohibit calling meetings or taking any action appropriate to afford the employee the opportunity voluntarily to invest or donate.

3. A new section providing for administrative remedies and penalties establishes a Board on Employees' Rights to receive and conduct hearings on complaints of violation of the act, and to determine and administer remedies and penalties. There is judicial review of the decision under the Administrative Procedure Act.

4. A specific exemption for the Federal Bureau of Investigation is included.

5. Exceptions to the prohibitions on privacy-invading questions by examination, interrogations and psychological tests are provided upon psychiatric determination that the information is necessary in the diagnosis and treatment of mental illness in individual cases, and provided that it is not elicited pursuant to general practice or regulation governing the examination of employees or applicants on the basis of grade, job, or agency.

6. The section prohibiting requirements to disclose personal financial information contains technical amendments to assure that only persons with final authority in certain areas may be subject to disclosure requirements.

7. For those employees excluded from the ban on disclosure requirements, a new section (j), provides that they may only be required to disclose items tending to show a conflict of interest.

8. Military supervisors of civilian employes are included within the prohibitions of the bill, and violation of the act is made a punishable offense under the Uniform Code of Military Justice.

9. A new section 2 has been added to assure that the same prohibitions in section 1 on actions of department and agency officials with respect to employees in their departments and agencies apply alike to officers of the Civil Service Commission with respect to the employees and applicants with whom they deal.

10. Section (b) of S. 3779, relating to the calling or holding of meetings or lectures to indoctrinate employees, was deleted.

11. Sections (c), (d), and (e) of S. 3779—sections (b), (c), and (d) of S. 1035—containing prohibitions on requiring attendance at outside meetings, reports on personal activities and participation in outside activities, were amended to make it clear that they do not apply to the performance of official duties or to the development of skill, knowledge, and abilities which qualify the person for his duties or to participation in professional groups or associations.

12. The criminal penalties were reduced from a maximum of $500 and 6 months' imprisonment to $300 and 30 days.

13. Section (h) of S. 3779 prohibiting requirements to support candidates, programs, or policies of any political party was revised to prohibit requirements to support the nomination or election of persons or to attend meetings to promote or support activities or undertakings of any political party.

14. Other amendments of a technical nature.

S. 782, 91st Congress—Committee amendments

S. 782, as introduced by Senator Ervin with 54 cosponsors, was identical to S. 1035 of the 90th Congress as passed by the Senate. As amended in Committee, it was reported to the Senate on May 15, 1970, and passed by unanimous consent on May 19.

The Subcommittee met in executive session on July 22, 1969, to receive testimony from Richard Helms, Director of the Central Intelligence Agency and other agency representatives. On the basis of this testimony and after a number of meetings of subcommittee members with officials of the Central Intelligence Agency, the National Security Agency, and the Federal Bureau of Investigation, the language contained in the committee amendments was drafted and meets with the approval of the Directors of those agencies.

Amendments

1. Amendments to section 1(a), page 2, line 15 insert after the word "origin" the words "or citizenship" and after the word "employee", the words "or person, or his forebears".

2. Amendment to section 1(k), page 8, line 5 after the word "requests", strike the period and insert the following:

: *Provided, however,* That a civilian employee of the United States serving in the Central Intelligence Agency, or the National Security Agency may be accompanied only by a person of his choice who serves in the agency in which the employee serves or by counsel who has been approved by the agency for access to the information involved.

3. Amendment to section 6, page 18, lines 15 and 16 delete "or of the Federal Bureau of Investigation".

4. Amendment to section 6, page 18, line 25, and page 19, line 1 delete "or the Director of the Federal Bureau of Investigation or his designee".

5. On page 19, add a new section 7 as follows:

"SEC. 7. No civilian employee of the United States serving in the Central Intelligence Agency or the National Security Agency, and no individual or organization acting in behalf of such employee, shall be permitted to invoke the provisions of sections 4 and 5 without first submitting a written complaint to the agency concerned about the threatened or actual violation of this Act and affording such agency 120 days from the date of such complaint to prevent the threatened violation or to redress the actual violation: *Provided, however,* That nothing in this Act shall be construed to affect any existing authority of the Director of Central Intelligence under 50 U.S.C. 403(c), and any authorities available to the National Security Agency under 50 U.S.C. 833 to terminate the employment of any employee."

6. On page 19, add a new section 8 as follows:

SEC. 8. Nothing in this act shall be construed to affect in any way the authority of the Directors of the Central Intelligence Agency or the National Security Agency to protect or withhold information pursuant to statute or execute order. The personal certification by the Director of the agency that disclosure of any information is inconsistent with the provision of any statute or executive order shall be conclusive and no such information shall be admissible in evidence in any interrogation under section 1(k) or in any civil action under section 4 or in any proceeding or civil action under section 5.

7. On page 19, add a new section 9 as follows:

SEC. 9. This act shall not be applicable to the Federal Bureau of Investigation.

8. On page 19, at line 5, renumber "SEC. 7" as "SEC. 10" and at line 20, renumber "SEC. 8" as "SEC. 11".

S. 1438, 92d Congress

As introduced by Senator Ervin with 53 cosponsors, S. 1438 was identical to S. 782 of the 91st Congress as unanimously reported by the Committee and unanimously approved by the Senate. S. 1438 was approved by the Committee without amendment on December 6, 1971, passed by the Senate by unanimous consent on December 8, 1971, and was referred to the House Post Office and Civil Service Committee. There a majority of the full committee voted to table the bill.

On August 1, 1972, upon a motion by Senator Ervin, the Committee added the text of S. 1438 as Title II of the House-passed bill H.R. 12652, extending the life of the Civil Rights Commission and expanding its jurisdiction to include a study of the rights of women. On August 4, 1972, the Senate unanimously passed H.R. 12652 as amended. This marked the fourth time in six years that the Senate had approved the provisions of the employee privacy bill.

The House rejected the Senate amendment and requested a conference. The Senate conferees stood by the Senate amendment until it became apparent that it might jeopardize passage of the entire legislation. When the Senate passed the Civil Rights Commission authorization, it accepted the conference committee's decision to delete Title II from the bill.

QUESTIONS ON RACE, RELIGION, AND NATIONAL ORIGIN

Many complaints received by the subcommittee concerned official requests or requirements that employees disclose their race, religion, or ethnic or national origin. This information has been obtained from employees through the systematic use of questionnaires or oral inquiries by supervisors.

Chief concern has focused on a policy inaugurated by the Civil Service Commission in 1966, under which present employees and future employees would be asked to indicate on a questionnaire whether they were "American Indian," "oriental," "Negro," "Spanish-

American" or "none of these." Approximately 1.7 million employees were told to complete the forms, while some agencies including some in the Department of Defense continued their former practice of acquiring such information through the "head count" method. Although the Civil Service Commission directive stated that disclosure of such information was voluntary, complaints show that employees and supervisors generally felt it to be mandatory. Administrative efforts to obtain compliance included in some instances harassment, threats, and intimidation. Complaints in different agencies showed that employees who did not comply received airmail letters at their homes with new forms; or their names were placed on administrative lists for "follow-up" procedures, and supervisors were advised to obtain the information from delinquent employees by a certain date.

In the view of John McCart, representing the Government Employes' Council, AFL-CIO:

"When the Civil Service Commission and the regulations note that participation by the employee will be voluntary, this removes some of the onus of the encroachment on an individual's privacy. But in an organizational operation of the size and complexity of the Federal Government, it is just impossible to guarantee that each individual's right to privacy and confidentiality will be observed.

"In addition to that, there have been a large number of complaints from all kinds of Federal employees. In the interest of maintaining the rights of individual workers against the possibility of invading those rights, it would seem to us it would be better to abandon the present approach, because there are other alternatives available for determining whether that program is being carried out."

The hearing record contains numerous examples of disruption of employee-management relations, and of employee dissatisfaction with such official inquiries. Many told the subcommittee that they refused to complete the questionnaires because the matter was none of the Government's business; others, because of their mixed parentage, felt unable to state the information.

Since 1963, the policy of the American Civil Liberties Union on the method of collecting information about race has favored the head count wherever possible. Although the policy is presently under review, the subcommittee finds merit in the statement that;

"The collection and dissemination of information about race creates a conflict among several equally important civil liberties: the right of free speech and free inquiry, on the one hand, and the rights of privacy and of equality of treatment and of opportunity, on the other. The ACLU approves them all. But at this time in human history, when the principle of equality and nondisrimination must be vigorously defended, it is necessary that the union oppose collection and dissemination of information regarding race, except only where rigorous justification is shown for such action. Where such collection and dissemination is shown to be justified, the gathering of information should be kept to the most limited form, wherever possible by use of the head count method, and the confidential nature of original records should be protected as far as possible."

Former Civil Service Commission Chairman Robert Ramspeck told the subcommittee:

"To consider race, color, religion, and national origin in making appointments, in promotions and retention of Federal employees is, in my opinion, contrary to the merit system. There should be no discrimination for or against minority persons in Federal Government employment."

As the hearings and complaints have demonstrated, the most telling argument against the use of such a questionnaire, other than the constitutional issue, is the fact that it does not work. This is shown by the admission by many employees that they either did not complete the forms or that they gave inaccurate data.

Mr. Macy informed the subcommittee:

"In the State of Hawaii the entire program was cut out because it had not been done there before, and it was inadvertently included in this one, and the feeling was that because of the racial composition there it would be exceedingly difficult to come up with any kind of identification along the lines of the card that we were distributing."

The Civil Service Commission on May 9 informed the subcommittee that it had "recently approved regulations which will end the use of voluntary self-identification of race as a means of obtaining minority group statistics for the Federal work force." The Commission indicated its decision was based on the failure of the program to produce meaningful statistics. In its place the Commission will rely on supervisory reports based solely on observation, which would not be prohibited by the bill.

As Senator Fong stated:

"It should be noted that the bill would not bar head counts of employee racial extraction for statistical purposes by supervisors. However, the Congress has authorized the merit system for the Federal service and the race, national origin or religion of the individual or his forebears should have nothing to do with his ability or qualifications to do a job."

Section 1(a) of the bill was included to assure that employees will not again be subjected to such unwarranted invasion of their privacy. It is designed to protect the merit system which Congress has authorized for the Federal service. Its passage will reaffirm the intent of Congress that a person's religion, race, and national or ethnic origin or that of his forebears have nothing to do with his ability or qualification to perform the requisite duties of a Federal position, or to qualify for a promotion.

By eliminating official authority to place the employee in a position in which he feels compelled to disclose this personal data, the bill will help to eliminate the basis for such complaints of invasion of privacy and discrimination as Congress has received for a number of years. It will protect Americans from the dilemma of the grandson of an American Indian who told the subcommittee that he had exercised his option and did not complete the minority status questionnaire. He did not know how to fill it out. Shortly thereafter he received a personal memorandum from his supervisor "requesting" him to complete a new questionnaire and "return it immediately." He wrote: "I personally feel that if I do not comply with this request (order), my job or any promotion which comes up could be in jeopardy."

The prohibitions in section 1(a) against official inquiries about religion, and in section 1(e) concerning religious beliefs and practices together constitute a bulwark to protect the individual's right to silence concerning his religious convictions and to refrain from an indication of his religious beliefs.

Referring to these two sections, Lawrence Speiser, director of the Washington office of the American Civil Liberties Union testified:

"These provisions would help, we hope, eliminate a constantly recurring problem involving those new Government employees who prefer to affirm their allegiance rather than swearing to it. All Government employees must sign an appointment affidavit and take an oath or affirmation of office.

"A problem arises not just when new employees enter Government employment but in all situations where the Government requires an oath, and there is an attempt made on the part of those who prefer to affirm. It is amazing the intransigence that arises on the part of clerks or those who require the filling out of these forms, or the giving of the statement in permitting individuals to affirm.

"The excuses that are made vary tremendously, either that the form can only be signed and they cannot accept a form in which "so help me God" is struck out, because that is an amendment, and they are bound by their instructions which do not permit any changes to be made on the forms at all.

"Also, in connection with the giving of oaths, I have had one case in which an investigator asked a young man this question: 'For the purposes of administering the oath, do you believe in God?'

"It is to be hoped that the provisions of this bill would bar practices of that kind. The law should be clear at this time. Title I, United States Code, section 1 has a number of rules of construction, one of which says that wherever the word 'oath' appears, that includes 'affirmation,' and wherever the word 'swear' appears, that includes 'affirm.'

"This issue comes up sometimes when clerks will ask, 'Why do you want to affirm? Do you belong to a religious group that requires an affirmation rather than taking an oath?' And unless the individual gives the right answer, the clerks won't let him affirm. It is clear under the *Torcaso* case that religious beliefs and lack of religious beliefs are equally entitled to the protection of the first amendment."

The objection has been raised that the prohibition against inquiries into race, religion, or national origin would hinder investigation of discrimination complaints. In effect, however, it is expected to aid rather than hinder in this area of the law, by decreasing the opportunities for discrimination initially. It does not hinder acquisition of the information elsewhere; nor does it prevent a person from volunteering the information if he wishes to supply it in filing a complaint or in the course of an investigation.

CONTROL OF EMPLOYEE OPINIONS, OUTSIDE ACTIVITIES

Reports have come to the subcommittee of infringements and threatened infringements on first amendment freedoms of employees: freedom to think for themselves free of Government indoctrination; freedom to choose their outside civic, social, and political activities as citizens free of official guidance; or even freedom to refuse to participate at all without reporting to supervisors.

Illustrative of the climate of surveillance the subcommittee has found was a 13-year-old Navy Department directive, reportedly similar to those in other agencies, warning employees to guard against "indirect remarks" and to seek "wise and mature" counsel within their agencies before joining civic or political associations.

In the view of the United Federation of Postal Clerks:

Perhaps no other right is so essential to employee morale as the right to personal freedom and the absence of interference by the Government in the private lives and activities of its employees. Attempts to place prohibitions on the private associations of employees; mandatory reporting of social contacts with Members of Congress and the press; attempts to "orient" or "indoctrinate" Federal employees on subjects outside their immediate areas of professional interest; attempts to "encourage" participation in outside activities or discourage patronage of selected business establishments and coercive campaigns for charitable donations are among the most noteworthy abuses of Federal employees' right to personal freedom.

An example of improper on-the-job indoctrination of employees about sociological and political matters was cited *in his* testimony by John Griner, president of the AFL–CIO affiliated American Federation of Government Employees:

One instance of disregard of individual rights of employees as well as responsibility

to taxpayers, which has come to my attention, seems to illustrate the objectives of subsections (b), (c), and (d), of section 1 of the Ervin bill. It happened at a large field installation under the Department of Defense.

The office chief called meetings of different groups of employees throughout the day * * *. A recording was played while employees listened about 30 minutes. It was supposedly a speech made at a university, which went deeply into the importance of integration of the races in this country. There was discussion of the United Nations—what a great thing it was—and how there never could be another world war. The person who reported this incident made this comment: "Think of the taxpayers' money used that day to hear that record." I think that speaks for itself.

Other witnesses were in agreement with Mr. Griner's view on the need for protecting employees now and in the future from any form of indoctrination on issues unrelated to their work. The issue was defined at hearings on S. 3779 in the following colloquy between the subcommittee chairman and Mr. Griner.

If they are permitted to hold sessions such as this on Government time and at Government expense, they might then also hold sessions as to whether or not we should be involved in the Vietnam war or whether we should not be, whether we should pull out or whether we should stay, and I think it could go to any extreme under those conditions.

Of course, we are concerned with it, yes. But that is not a matter for the daily routine of work.

Senator ERVIN. Can you think of anything which has more direful implications for a free America than a practice by which a government would attempt to indoctrinate any man with respect to a particular view on any subject other than the proper performance of his work?

Mr. GRINER. I think if we attempted to do that we would be violating the individual's constitutional rights.

Senator ERVIN. Is there any reason whatever why a Federal civil service employee should not have the same right to have his freedom of thought on all things under the sun outside of the restricted sphere of the proper performance of his work that any other American enjoys?

Mr. GRINER. No, sir.

With one complaint of attempted indoctrination of employees at a Federal installation, a civil servant enclosed a memorandum taken from a bulletin board stating the time, place, and date of a lecture by a sociology professor on the subject of the importance of racial integration. Attendance was to be voluntary but the notice stated that a record would be made of those attending or not attending.

Concerning such a practice, one witness commented: "If I had been a Federal employee and I cared anything about my job, I would have been at that lecture."

Employees of an installation in Pennsylvania complained of requirements to attend film lectures on issues of the cold war.

Witnesses agreed that taking notice of attendance at such meeting constituted a form of coercion to attend. Section 1(b) will eliminate such intimidation. It leaves unaffected existing authority to use any appropriate means, including publicity, to provide employees information about meetings concerning matters such as charity drives and bond-selling campaigns.

Section (c) protests a basic constitutional right of the individual employee to be free of official pressure on him to engage in any civic or political activity or undertaking which might involve him as a private citizen, but which has no relation to his Federal employment. It preserves his freedom of thought and expression, including his right to keep silent, or to remain inactive.

This section will place a statutory bar against the recurrence of employee complaints such as the following received by a Member of the Senate:

Dear Senator ———: On ———, 1966, a group of Treasury Department administrators were called to Miami for a conference led by ———, Treasury Personnel Officer, with regard to new revisions in chapter 713 of the Treasury Personnel Manual.

Over the years the Treasury Department has placed special emphasis on the hiring of Negroes under the equal employment opportunity program, and considerable progress in that regard has been made. However, the emphasis of the present conference was that our efforts in the field of equal employment opportunity have not been sufficient. Under the leadership of President Johnson and based on his strong statement with regard to the need for direct action to cure the basic causes leading to discrimination, the Treasury Department has now issued specific instructions requiring all supervisors and line managers to become actively and aggressively involved in the total civil rights problem.

The requirements laid down by chapter 713 and its appendix include participation in such groups as the Urban League, NAACP, et cetera (these are named specifically) and involvement in the total community action program, including open housing, integration of schools, et cetera.

The policies laid down in this regulation, as verbally explained by the Treasury representatives at the conference, go far beyond any concept of employee personnel responsibility previously expressed. In essence, this regulation requires every Treasury manager or supervisor to become a social worker, both during his official hours and on his own time. This was only tangentially referred to in the regulation and its appendages, but was brought out forcefully in verbal statements by Mr. ——— and ———. Frankly, this is tremendously disturbing to me and to many of the other persons with whom I have discussed the matter. We do not deny the need for strong action in the field of civil rights, but we do sincerely question the authority of our Government to lay out requirements to be met on our own time which are repugnant to our personal beliefs and desires.

The question was asked as to what disciplinary measures would be taken against individuals declining to participate in these community action programs. The reply was given by the equal employment officer, that such refusal would constitute an undesirable work attitude bordering on insubordination and should at the very least be reflected on the annual efficiency rating of the employee.

The principles expressed in these regulations and in this conference strike me as being of highly dangerous potential. If we, who have no connection with welfare or social programs, can be required to take time from our full-time responsibilities in our particular agencies and from the hours normally reserved for our own refreshment and recreation to work toward integration of white neighborhoods, integration of schools by artificial means, and to train Negroes who have not availed themselves of the public schooling available, then it would seem quite possible that under other leadership, we could be required to perform other actions which would actually be detrimental to the interests of our Nation."

* * * * *

Testifying on the issue of reporting outside activities, the American Civil Liberties Union representative commented:

"To the extent that individuals are apprehensive they are going to have to, at some future time, tell the Government about what organizations they have belonged to or been associated with, that is going to inhibit them in their willingness to explore all kinds of ideas, their willingness to hear speakers, their willingness to do all kinds of things. That has almost as deadening an effect on free speech in a democracy as if the opportunities were actually cut off.

Witnesses gave other examples of invasion of employees' private lives which would be halted by passage of the bill.

In the southwest a division chief dispatched a buck slip to his group supervisors demanding: "the names * * * of employees * * * who are participating in any activities including such things as: PTA in integrated schools, sports activities which are intersocial, and such things as Great Books discussion groups which have integrated memberships."

* * * * *

In a Washington office of the Department of Defense, a branch chief by telephone asked supervisors to obtain from employees the names of any organizations they belonged to. The purpose apparently was to obtain invitations for Federal Government officials to speak before such organizations.

* * * * *

Reports have come to the subcommittee that the Federal Maritime Commission, pursuant to civil service regulations, requested employees to participate in community activities to improve the employability of minority groups, and to report to the chairman any outside activities.

* * * * *

In addition to such directives, many other instances involving this type of restriction have come to the attention of the subcommittee over a period of years. For example, some agencies have either prohibited flatly, or required employees to report, all contacts, social or otherwise, with Members of Congress or congressional staff members. In many cases reported to the subcommittee, officials have taken reprisals against employees who communicated with their Congressmen and have issued directives threatening such action.

* * * * *

The Civil Service Commission on its Form 85 for nonsensitive positions requires an individual to list: "Organizations with which affiliated (past and present) other than religious or political organizations or those with religious or political affiliations (if none, so state)."

* * * * *

PRIVACY INVASIONS IN INTERVIEWS, INTERROGATIONS, AND PERSONALITY TESTS

Although it does not outlaw all of the unwarranted personal prying to which employees and applicants are now subjected, section 1(e) of the reported bill will prohibit the more serious invasions of personal privacy reported. The subcommittee believes it will also result in limitations beyond its specific prohibitions by encouraging administrative adherence to the principles it reflects.

It will halt mass programs in which, as a general rule, agency officials conduct interviews during which they require or request applicants or employees to reveal intimate details about their habits, thoughts, and attitudes on matters unrelated to their qualifications and ability to perform a job.

It will also halt individual interrogations such as that involving an 18-year-old college sophomore applying for a summer job as a secretary at a Federal department.

In the course of an interview with a department investigator, she was asked wide-ranging questions. For instance, regarding a boy whom she was dating, she was asked questions which denoted assumptions made by the investigator, such as:

Did he abuse you?

Did he do anything unnatural with you? You didn't get pregnant, did you?

There's kissing, petting, and intercourse, and after that, did he force you to do anything to him, or did he do anything to you?

The parent of this student wrote:

This interview greatly transcended the bounds of normal areas and many probing personal questions were propounded. Most questions were leading and either a negative or positive answer resulted in an appearance

of self-incrimination. During this experience, my husband was on an unaccompanied tour of duty in Korea and I attempted alone, without success, to do battle with the Department.

I called and was denied any opportunity to review what had been recorded in my daughter's file. Likewise my daughter was denied any review of the file in order to verify or refute any of the record made by the State Department interviewer. This entire matter was handled as if applicants for State Department employment must subject themselves to the personal and intimate questions and abdicate all claims to personal rights and privileges.

As a result of this improper intrusion into my daughter's privacy which caused all great mental anguish, I had her application for employment withdrawn from the State Department. This loss of income made her college education that much more difficult.

Upon my husband's return, we discussed this entire situation and felt rather than subjecting her again to the sanctioned methods of Government investigation we would have her work for private industry. This she did in the summer of 1966, with great success and without embarrassing or humiliating Gestapo-type investigation.

Upon subcommittee investigation of this case, the Department indicated that this was not a unique case, because it used a "uniform policy in handling the applications of summer employees as followed with all other applicant categories." It stated that its procedure under Executive Order 10450 is a basic one "used by the Department and other executive agencies concerning the processing of any category of applicants who will be dealing with sensitive, classified material." Its only other comment on the case was to assure that "any information developed during the course of any of our investigations that is of a medical nature, is referred to our Medical Division for proper evaluation and judgment." In response to a request for copies of departmental guidelines governing such investigations and interviews, the subcommittee was told they were classified.

Section 1(e) would protect every employee and every civilian who offers his services to his Government from indiscriminate and unauthorized requests to submit to any test designed to elicit such information as to the following:

My sex life is satisfactory.

I have never been in trouble because of my sex behavior.

Everything is turning out just like the prophets of the Bible said it would.

I loved my father.

I am very strongly attracted by members of my own sex.

I go to church almost every week.

I believe in the second coming of Christ.

I believe in a life hereafter.

I have never indulged in any unusual sex practices.

I am worried about sex matters.

I am very religious (more than most people).

I loved my mother.

I believe there is a Devil and a Hell in afterlife.

I believe there is a God.

Once in a while I feel hate toward members of my family whom I usually love.

I wish I were not bothered by thoughts about sex.

The subcommittee hearings in 1965 on "Psychological tests and constitutional rights" and its subsequent investigations support the need for such statutory prohibitions on the use of tests.

In other cases, the subcommittee was told, a woman was questioned for 6 hours "about every aspect of her sex life—real, imagined, and gossiped—with an intensity that could only have been the product of inordinately salacious minds."

The specific limitation on the three areas of questioning proscribed in S. 1035 in no way is intended as a grant of authority to continue or initiate the official eliciting of personal data from individuals on subjects not directly proscribed. It would prohibit investigators, or personnel, security and medical specialists from indiscriminately requiring or requesting the individual to supply, orally or through tests, data on religion, family, or sex. It does not prevent a physician from doing so if he has reason to believe the employee is "suffering from mental illness" and believes the information is necessary to make a diagnosis. Such a standard is stricter than the broad "fitness for duty" standard now generally applied by psychiatrists and physicians in the interviews and testing which an employee can be requested and required to undergo.

There is nothing in this section to prohibit an official from advising an individual of a specific charge of sexual misconduct and affording him an opportunity to refute the charge voluntarily.

POLYGRAPHS

Section 1(f) makes it unlawful for any officer of any executive department or agency or any person acting under his authority to require or request or attempt to require or request any civilian employee or any applicant for employment to take any polygraph test designed to elicit from him information concerning his personal relationship with any person connected with him by blood or marriage, or concerning his religious beliefs, practices or concerning his attitude or conduct with respect to sexual matters. While this section does not eliminate the use of so-called lie detectors by Government, it assures that where such devices are used for these purposes it will be only in limited areas.

John McCart, representing the Government Employees Council of AFL–CIO, supported this section of the bill, citing a 1965 report by a special subcommittee of the AFL–CIO executive council that:

The use of lie detectors violates basic considerations of human dignity in that they involve the invasion of privacy, self-incrimination, and the concept of guilt until proven innocent.

Congressional investigation[1] has shown that there is no scientific validation for the effectiveness or accuracy of lie detectors. Yet despite this and the invasion of privacy involved, lie detectors are being used or may be used in various agencies of the Federal Government for purposes of screening applicants or for pursuing investigations.

This section of the bill is based on complaints such as the following received by the subcommittee:

When I graduated from college in 1965, I applied at NSA. I went to 2 days of testing, which apparently I passed because the interviewer seemed pleased and he told me that they could always find a place for someone with my type of degree.

About 1 month later, I reported for a polygraph test at an office on Wisconsin Avenue in the District or just over the District line in Maryland. I talked with the polygraph operator, a young man around 25 years of age. He explained how the machine worked, etc. He ran through some of the questions before he attached the wires to me. Some of the questions I can remember are—

"When was the first time you had sexual relations with a woman?

"How many times have you had sexual intercourse?

"Have you ever engaged in homosexual activities?

"Have you ever engaged in sexual activities with an animal?

"When was the first time you had intercourse with your wife?

"Did you have intercourse with her before you were married? How many times?"

He also asked questions about my parents, Communist activities, etc. I remember that I thought this thing was pretty outrageous, but the operator assured me that he asked everybody the same questions and he has heard all the answers before, it just didn't mean a thing to him. I wondered how he could ever get away with asking a girl those kinds of questions.

When I was finished, I felt as though I had been in a 15 round championship boxing match. I felt exhausted. I made up my mind then and there that I wouldn't take the job even if they wanted me to take it. Also, I concluded that I would never again apply for a job with the Government, especially where they make you take one of these tests.

Commenting on this complaint, the subcommittee chairman observed:

"Certainly such practices should not be tolerated even by agencies charged with security missions. Surely, the financial, scientific, and investigative resources of the Federal Government are sufficient to determine whether a person is a security risk, without strapping an applicant to a machine and subjecting him to salacious questioning. The Federal Bureau of Investigation does not use personality tests or polygraphs on applicants for employment. I fail to see why the National Security Agency finds them so fascinating."

COERCION TO BUY BONDS AND CONTRIBUTE TO CAUSES

The hearing record and subcommittee complaint files amply document the need for statutory protections against all forms of coercion of employees to buy bonds and contribute to causes. Involved here is the freedom of the individual to invest and donate his money as he sees fit, without official coercion. As the subcommittee chairman explained:

"It certainly seems to me that each Federal employee, like any other citizen in the United States, is the best judge of his capacity, in the light of his financial obligations, to participate or decide whether he will particiapte and the extent of his participation in a bond drive. That is a basic determination which he and he alone should make.

"I think there is an interference with fundamental rights when coercion of a psychological or economic nature is brought on a Federal employee, even to make him do right. I think a man has to have a choice of acting unwisely as well as wisely, if he is going to have any freedom at all."

The subcommittee has received from employees and their organizations numerous reports of intimidation, threats of loss of job, and security clearances and of denial of promotion for employees who do not participate to the extent supervisors wish. The hearing record contains examples of documented cases of reprisals, many of which have been investigated at the subcommittee's request and confirmed by the agency involved. It is apparent that policy statements and administrative rules are not sufficient to protect individuals from such coercion.

The president of the United Federation of Postal Clerks informed the subcommittee:

"Section 1, paragraph (i) of S. 3779 is particularly important to all Federal employees and certainly to our postal clerks. The extreme arm-twisting coercion, and pressure tactics exerted by some postmasters on our members earlier this year during the savings bond drive must not be permitted at any future time in the Government service.

"Our union received complaints from all over the country where low-paid postal clerks, most having the almost impossible problem of trying to support a family and

[1] Hearings and reports on the use of polygraphs as "lie detectors" by the Federal Government before a Subcommittee of the House Comimttee on Government Operations, April 1964 through 1966.

exist on substandard wages, were practically being ordered to sign up for purchase of U.S. savings bonds, or else. The patriotism of our postal employees cannot be challenged. I recently was advised that almost 75 percent of postal workers are veterans of the Armed Forces and have proven their loyalty and patriotism to this great country of ours on the battlefield in many wars. Yet, some postmasters questioned this patriotism and loyalty if any employee could not afford to purchase a savings bond during the drive."

The president of the National Association of Government Employees testified:

"We are aware of instances wherein employees were told that if they failed to participate in the bond program they would be frozen in their position without promotional opportunities.

"In another agency the names of individuals who did not participate were posted for all to see. We have been made aware of this situation for some years and we know that Congress has been advised of the many instances and injustices Federal employees faced concerning their refusal or inability to purchase bonds.

"Certainly, the Government, which has thousands of public relations men in its agencies and departments, should be capable of promoting a bond program that does not include the sledge-hammer approach."

Some concern has been expressed by officials of the United Community Funds and Councils of America, the American Heart Association, Inc., and other charitable organizations, that the bill would hamper their campaigns in Federal agencies.

For this reason, the bill contains a proviso to express the intent of the sponsors that officials may still schedule meetings and take any appropriate action to publicize campaigns and to afford employees the opportunity to invest or donate their money voluntarily. It is felt that this section leaves a wide scope for reasonable action in promoting bond selling and charity drives.

The bill will prohibit such practices as were reported to the subcommittee in the following complaints:

"We have not yet sold our former home and cannot afford to buy bonds while we have both mortgage payments and rental payments to meet. Yet I have been forced to buy bonds, as I was told the policy at this base is, 'Buy bonds or by-by.'

"In short, after moving 1,700 miles for the good of the Government, I was told I would be fired if I didn't invest my money as my employer directed. I cannot afford to buy bonds, but I can't afford to be fired even more.

* * * * *

"Not only were we forced to buy bonds, but our superiors stood by the time clock with the blanks for the United Givers Fund, and refused to let us leave until we signed up. I am afraid to sign my name, but I am employed at * * *."

* * * * *

A representative of the 14th District Department of the American Federation of Government Employees, Lodge 421, reported:

"The case of a GS–13 professional employee who has had the misfortune this past year of underwriting the expenses incurred by the last illness and death of both his mother and father just prior to this recent bond drive. This employee had been unofficially informed by his supervisor that he had been selected for a then existing GS–14 vacancy. When it became known that he was declining to increase his participation in the savings bond drive by increasing his payroll deduction for that purpose, he was informed that he might as well, in effect, kiss that grade 14 goodby."

DISCLOSURE OF ASSETS, DEBTS, AND PROPERTY

Sections (i) and (j) meet a need for imposing a reasonable statutory limitation on the extent to which an employee must reveal the details of his or his family's personal finances, debts, or ownership of property.

The subcommittee believes that the conflict-of-interest statutes, and the many other laws governing conduct of employees, together with appropriate implementing regulations, are sufficient to protect the Government from dishonest employees. More zealous informational activities on the part of management were recommended by witnesses in lieu of the many questionnaires now required.

The employee criticism of such inquiries was summarized as follows:

"There are ample laws on the statute books dealing with fraudulent employment, conflicts of interest, etc. The invasion of privacy of the individual employee is serious enough, but the invasion of the privacy of family, relatives and children of the employee is an outrage against a free society.

"This forced financial disclosure has caused serious moral problems and feelings by employees that the agencies distrust their integrity. We do not doubt that if every employee was required to file an absolutely honest financial disclosure, that a few, though insignificant number of conflict-of-interest cases may result. However, the discovery of the few legal infractions could in no way justify the damaging effects of forced disclosures of a private nature. Further, it is our opinion that those who are intent on engaging in activities which result in a conflict of interest would hardly supply that information on a questionnaire or financial statement. Many employees have indicated that rather than subject their families to any such unwarranted invasion of their right to privacy, that they are seriously considering other employment outside of Government."

The bill will reduce to reasonable proportions such inquiries as the following questionnaire, which many thousands of employees have periodically been required to submit.

(Questionnaire follows:)

CONFIDENTIAL STATEMENT OF EMPLOYMENT AND FINANCIAL INTERESTS

(For use by regular Government employees)

Name (*Last, First, Initial*).

Title of position.

Date of appointment in present position.

Organization location (*Operating agency, Bureau Division*).

PART I. EMPLOYMENT AND FINANCIAL INTERESTS

List the names of all corporations, companies, firms, or other business enterprises, partnerships, nonprofit organizations, and educational, or other institutions: (a) with which you are connected as an employee, officer, owner, director, member, trustee, partner, adviser, or consultant; or (b) in which you have any continuing financial interests, through a pension or retirement plan, shared income, or other arrangement as a result of any current or prior employment or business or professional association; or (c) in which you have any financial interest through the ownership of stock, stock options, bonds, securities, or other arrangements including trusts. If none, write NONE.

Name and kind of organization (*Use Part 1 designations where applicable*).

Address.

Position in organization (*Use Part 1(a) designations, if applicable*).

Nature of financial interest, e.g., stocks. Prior income (*Use Part 1(b) & (c) designations if applicable*).

PART II CREDITORS

List the names of your creditors other than those to whom you may be indebted by reason of a mortgage on property which you occupy as a personal residence or to whom you may be indebted for current and ordinary household and living expenses such as household furnishings, automobile, education, vacation, and similar expenses. If none, write none.

Name and address of creditor.

Character of indebtedness, *e.g.*, personal loan, note, security.

PART III. INTERESTS IN REAL PROPERTY

List your interest in real property or rights in lands, other than property which you occupy as a personal residence. If none, write none.

Nature of interest, *e.g.*, ownership, mortgage, lien, investment, trust.

Type of property, *e.g.*, residence, motel, apartment, undeveloped land.

Address (*If rural, give RFD of county and State*).

PART IV. INFORMATION REQUESTED OF OTHER PERSONS

If any information is to be supplied by other persons, e.g., trustee, attorney, accountant, relative, please indicate the name and address of such persons, the date upon which you requested that the information be supplied, and the nature of subject matter involved. If none, write none.

Name and address.

Date of request.

Nature of subject matter.

(This space reserved for additional instructions).

I certify that the statements I have made are true, complete, and correct to the best of my knowledge and belief.

(*Date*).

(*Signature*).

The vagueness of the standards for requiring such a broad surrender of privacy is illustrated by the Civil Service Commission's regulation applying this to any employee whose duties have an "economic impact on a non-Federal enterprise."

Also eliminated will be questionnaires asking employees to list "all assets, or everything you and your immediate family own, including date acquired and cost or fair market value at acquisition. (Cash in banks, cash anywhere else, due from others—loans, et cetera, automobiles, securities, real estate, cash surrender of life insurance; personal effects and household furnishings and other assets.)"

The view of the president of the United Federation of Postal Clerks reflected the testimony of many witnesses endorsing sections 1 (i) and (j) of the bill:

"If the conflict-of-interest questionnaire is of doubtful value in preventing conflict of interest, as we believe, we can only conclude that it does not meet the test of essentiality and that it should be proscribed as an unwarranted invasion of employee privacy. Such value as it may have in focusing employee attention upon the problem of conflict of interest and bringing to light honest oversights that may lead to conflict of interest could surely be achieved by drawing attention to the 26 or more laws pertaining to conflict of interest or by more zealous information activities on the part of management."

The complex problem of preserving the confidential nature of such reports was described by officials of the National Association of Internal Revenue Employees:

"The present abundance of financial questionnaires provides ample material for even more abusive personnel practices. It is almost inevitable that this confidential information cannot remain confidential. Typically, the financial questionnaire is filed with an employee's immediate supervisor. The net worth statements ultimately go into Inspection, but they pass through the hands of local personnel administrators. We have received a great number of disturbing reports—as have you—that this information about employees' private affairs is being used for improper purposes, such as enforced retirement and the like."

Inadequacies in agency procedures for obtaining such information from employees and for reviewing and storing it, are discussed in the Subcommittee report for the

89th Congress, 2d Session. Widely disparate attitudes and practices are also revealed in a Subcommittee study contained in the appendix of the printed hearings on S. 3779.

The bill will make such complaints as the following unnecessary in the future conduct of the Federal Government:

DEAR SENATOR ERVIN: I am writing to applaud the stand you have taken on the new requirement that Federal employees in certain grades and categories disclose their financial holdings to their immediate superior. Having been a civil service employee for 26 years, and advanced from GS–4 to GS–15, and been cleared for top secret during World War II, and because I currently hold a position that involves the disposition of hundreds of thousands of the taxpayers' money, it is my conviction that my morality and trustworthiness are already a matter of record in the files of the Federal Government.

The requirement that my husband's financial assets be reported, as well as my own assets and those we hold jointly, was particularly offensive, since my husband is the head of our household and is not employed by Government.

You might also be interested in the fact that it required 6 hours of after-hours work on our part to hunt up all the information called for and prepare the report. Since the extent of our assets is our private business, it was necessary that I type the material myself, an added chore since I am not a typist.

Our assets have been derived, in the main, from laying aside a portion of our earnings. At our ages (64 and 58) we would be far less deserving of respect had we not made the prudent provisions for our retirement which our assets and the income they earn represent. Yet this reporting requirement carries with it the implication that to have "clean hands" it would be best to have no assets or outside, unearned income when you work for the Federal Government.

For your information I am a GS–15, earning $19,415. * * *

Thank you for speaking out for the continually maligned civil servant.

Sincerely yours,

———, ———.

DEAR SENATOR ERVIN: I am a GS–12 career employee with over 15 years service.

The highest moral and ethical conduct has been my goal in each of my positions of employment and I have found this to be true of a vast majority of my fellow workers. It may be true a few people do put material gain ahead of their ethics but generally these people are in the higher echelons of office where their influence is much greater.

Our office has recently directed each employee from file clerk to the heads of sections to file a "Statement of Financial Interest." As our office has no programs individuals could have a financial interest in and especially no connections with FHA I feel it is no one's business but my own what real estate I own. I do not have a FHA mortgage or any other real property and have no outside employment, hence have nothing to hide by filing a blank form. Few Government workers can afford much real property. The principle of reporting to "Big Brother" in every phase of your private life to me is very degrading, highly unethical and very unquestionable as to its effectiveness. If I could and did use my position in some way to make a profit I would be stupid to report it on an agency inquiry form. What makes officials think reporting will do away with graft?

When the directive came out many man-hours of productive work were lost in discussions and griping. Daily since the date at some time during the day someone brings up the subject. The supervisors filed their reports as "good" examples but even they objected to this inquiry.

No single thing was ever asked of Government employees that caused such a decline in their morale. We desperately need a "bill of rights" to protect ourselves from any further invasion of our private lives.

Fifteen years ago I committed myself to Government service because: (a) I felt an obligation to the Government due to my education under the GI bill, (b) I could obtain freedom from pressures of unions, (c) I could obtain freedom from invasion of my private life, and (d) I would be given the opportunity to advance based solely on my professional ability and not on personal politics. At this point I certainly regret my decision to make the Government my career.

Sincerely,

———, ———.

DEAR SENATOR: I write to beg your support of a "bill of rights" to protect Federal employees from official snooping which was introduced by Senator Ervin of North Carolina.

I am a veteran of two wars and have orders to a third war as a ready reservist. And I know why I serve in these wars: that is to prevent the forces of tyranny from invading America.

Now, as a Federal employee I must fill out a questionnaire giving details of my financial status. This is required if I am to continue working. I know that this information can be made available to every official in Washington, including those who want to regulate specific details of my life.

Now I am no longer a free American. For example, I can no longer buy stock of a foreign company because that country may be in disfavor with officials of the right or left. And I cannot "own part of America" by buying common stocks until an "approved list" is published by my superiors.

I can never borrow money because an agent may decide that debt makes me susceptible to bribery by agents of an enemy power. Nor do I dare own property lest some official may decide I should sell or rent to a person or group not of my choosing.

In short, I am no longer free to plan my own financial program for the future security of my family. In 1 day I was robbed of the freedom for which I fought two wars. This is a sickening feeling, you may be sure.

It seems plain that a deep, moral issue is involved here that concerns every citizen. If this thing is allowed to continue, tomorrow or next year every citizen may come under the inquisition. The dossier on every citizen will be on file for the use of any person or group having enough overt or covert power to gain access to them.

Sincerely,

——— ———.

On August 1966, Federal employees who were retired from the armed services were told to complete and return within 7 days, with their social security numbers, a 15-page questionnaire, asking, among other things:

How much did you earn in 1965 in wages, salary, commissions, or tips from all jobs?

How much did you earn in 1965 in profits or fees from working in your own business, professional practice, partnership, or farm?

How much did you receive in 1965 from social security, pensions (nonmilitary) rent (minus expenses), interests or dividends, unemployment insurance, welfare payments, or from any other source not already entered?

How much did other members of your family earn in 1965 in wages, salary, commissions or tips? (Before any deductions.) (For this question, a family consists of two or more persons in the same household who are related to each other by blood, marriage, or adoption.) If the exact amount is not known, give your best estimate.

How much did other members of your family earn in 1965 in profits or fees from working in their own business, professional practices, partnership, or farm?

How much did any other member of your family receive in 1965 from social security, pensions, rent (minus expenses), interest or dividends, unemployment insurance, welfare payments; or from any other source not already entered?

RIGHT TO COUNSEL

Section 1(k) of the bill guarantees to Federal workers the opportunity of asking the presence of legal counsel, of a friend or other person when undergoing an official interrogation or investigation that could lead to the loss of their jobs or to disciplinary action.

The merits of this clause are manifold; not least of which is that uniformity and order it will bring to the present crazy quilt practices of the various agencies concerning the right to counsel for employees facing disciplinary investigations or possible loss of security clearances tantamount to loss of employment. The Civil Service Commission regulations are silent on this critical issue. In the absence of any Commission initiative or standard, therefore, the employing agencies are pursuing widely disparate practices. To judge from the questionnaires and other evidence before the subcommittee, a few agencies appear to afford a legitimate right to counsel, probably many more do *not*, and still others prescribe a "right" on paper but hedge it in such a fashion as to discourage its exercise. Some apparently do not set any regulatory standard, but handle the problem on an ad hoc basis.

On a matter as critical as this, such a pointless diversity of practice is poor policy. So far as job-protection rights are concerned, all Federal employees should be equal.

A second anomaly in the present state of affairs derives from recent developments in the law of the sixth amendment by the Supreme Court. In view of the decisions of *Miranda* v. *Arizona*, 384 U.S. 436 and *Escobedo* v. *Illinois*, 378 U.S. 478, it is clear that any person (including Federal employees) who is suspected of a crime is absolutely entitled to counsel before being subjected to custodial interrogation. Accordingly, some agencies, such as the Internal Revenue Service, acknowledge an unqualified right to counsel for an employee suspected of crime but decline to do the same for coworkers threatened with the loss of their livelihoods for noncriminal reasons. In the subcommittee's view, this discrimination in favor of the criminal suspect is both bad personnel policy as well as bad law. It would be corrected by this section of the bill.

The ultimate justification for the "right-to-counsel" clause, however, is the Constitution itself. There is no longer any serious doubt that Federal employees are entitled to due process of law as an incident of their employment relation. Once, of course, the courts felt otherwise, holding that absent explicit statutory limitation, the power of the executive to deal with employees was virtually unfettered.

The doctrinal underpinning of this rule was the 19th-century notion that the employment relation is not tangible "property." Both the rule and its underpinning have now been reexamined. The Supreme Court in recent years has emphasized the necessity of providing procedural due process where a man is deprived of his job or livelihood by governmental action.

While the courts have as yet had no occasion to articulate a specific right to counsel in the employment relationship, there can obviously be no doubt that the right to counsel is of such a fundamental character that it is among the essential ingredients of due process. What is at stake for an employee in a discharge proceeding—often including personal humiliation, obloquy and penury—is just as serious as that involved in a criminal trial. This is not to suggest that all the incidents of our civilized standard of a fair trial can or should be imported into Federal discharge proceedings. But if we are to have fair play for Federal employees, the right of counsel is a sine qua non. It is of a piece with the highest traditions, the fairest laws, and the soundest policy that this country has

produced. And, in the judgment of this subcommittee, the clear affirmation of this basic right is very long overdue.

The need for such protection was confirmed at the hearings by all representatives of Government employee organizations and unions.

The president of the National Association of Letter Carriers testified:

"It is a practice in the postal inspection service, when an employee is called in for questioning by the inspectors on a strictly postal matter that does not involve a felony, to deny the right of counsel. The inspectors interrogate the employee at length and, at the completion of the interrogation, one of the inspectors writes out a statement and pressures the employee to sign it before he leaves the room. We have frequently asked the postal inspection service to permit these employees to have counsel present at the time of the interrogation. The right for such counsel has been denied in all except a few cases. If the employee is charged with a felony, then, of course, the law takes over and the right for counsel is clearly established but in other investigations and interrogations no counsel is permitted."

Several agencies contend that right to counsel is now granted in formal adverse action proceedings and that appeals procedures make this section unnecessary for informal questioning. Testimony and complaints from employees indicate that this machinery does not effectively secure the opportunity of the employee to defend himself early enough in the investigation to allow a meaningful defense.

The predicament of postal employees as described at the hearings reflects the situation in other agencies as reported in many individual cases sent to the subcommittee. While it is undoubtedly true that in some simple questioning, counsel may not be necessary, in many matters where interrogation will result in disciplinary action, failure to have counsel at the first level reacts against the employee all the way up through the appeal and review. In the case of a postal employee, the subcommittee was told—

"The first level is at the working foreman's level. He is the author of the charges; then the case proceeds to the postmaster, who appointed the foreman and, if the individual is found guilty of the charge at the first level, it is almost inevitable that this position will be supported on the second level. The third level is the regional level, and the policy there is usually that of supporting the local postmaster. A disinteresting party is never reached. The fourth level is the Appeals Board, composed of officials appointed by the Postmaster General. In some cases, the region will overrule the postmaster, but certainly the individual does not have what one could style an impartial appeals procedure."

Employees charged with no crime have been subjected to intensive interrogations by Defense Department investigators who ask intimate questions, make sweeping allegations, and threaten dire consequences unless consent is given to polygraph tests. Employees have been ordered to confess orally or to write and sign statements. Such interviews have been conducted after denial of the employee's request for presence of supervisor, counsel, or friend, and in several instances the interrogations have resulted in revocation of a security clearance, or denial of access to classified information by transfer or reassignment, with the resulting loss of promotion opportunities.

Witnesses testified that employees have no recourse against the consequences of formal charges based on information and statements acquired during a preliminary investigation. This renders meaningless the distinction urged by the Civil Service Commission between formal and informal proceedings.

EXCEPTIONS

The act under section 9, does not apply to the Federal Bureau of Investigation. Furthermore, section 6 provides that nothing in the act will prohibit an official of the Central Intelligence Agency and the National Security Agency from requesting any employee or applicant to take a polygraph test or a psychological test, or to provide a personal financial statement designed to elicit the personal information protected under subsections 1(e), (f), (i), and (j). In such cases, the Director of the agency or his designee must make a personal finding with regard to each individual to be tested or examined that such test or information is required to protect the national security.

An exception to the right-to-counsel section has been provided to limit this right for employees in the Central Intelligence Agency and the National Security Agency to a person who serves in the same agency or a counsel cleared by the agency for access to the information involved. Obviously, it is expected that the employee's right to be accompanied by the person of his choice will not be denied unless that person's access to the information for the purpose of the case is clearly inconsistent with the national security. Other language recognizes problems unique to these two agencies.

For instance, section 7 requires exhaustion of remedies by employees of the Central Intelligence Agency and the National Security Agency and states that the act does not affect whatever existing statutory authority these agencies now possess to terminate employment. Section 8 is designed to assure that nothing in the act is construed to affect negatively any existing statutory or executive authority of the Directors of the Central Intelligence Agency and National Security Agency to protect their information in cases involving their employees. Consequently, procedures commended to the subcommittee by the Director of the Central Intelligence Agency are spelled out for asserting that authority in certain proceedings arising under the act. Other committee amendments to S. 1035, as detailed earlier, were adopted to meet administrative requirements of the Federal security program and the intelligence community as well as the management needs of the executive branch.

ENFORCEMENT

Enforcement of the rights guaranteed in sections 1 and 2 of the bill is lodged in the administrative and civil remedies and sanctions of sections 3, 4, and 5. Crucial to enforcement of the act is the creation of an independent Board on Employee Rights to determine the need for disciplinary action against civilian and military offenders under the act and to provide relief from violations.

Testimony at the hearings as well as investigation of complaints have demonstrated that in the area of employee rights, a right is only as secure as its enforcement. There is overwhelming evidence that employees have heretofore frequently lacked appropriate remedies either in the courts or the Civil Service Commission for pursuing rights which belong to them as citizens.

Under the remedies afforded by sections 3, 4, and 5 of the bill, an employee who believes his rights are violated under the act has several courses of action:

(1) He may pursue a remedy through the agency procedures established to enforce the act, but the fact that he does not choose to avail himself of these does not preclude exercise of his right to seek other remedies.

(2) He may register his complaint with the Board on Employee Rights and obtain a hearing. If he loses there, he may appeal to the district court, which has the power to examine the record as a whole and to affirm, modify, or set aside any determination or order, or to require the Board to take any action it was authorized to take under the act.

(3) He may, instead of going directly to the Board, institute a civil action in Federal district court to prevent the threatened violation, or obtain complete redress against the consequences of the violation.

He does not need to exhaust any administrative remedies but if he elects to pursue his civil remedies in the court under section 4, he may not seek redress through the Board. Similarly, if he initiates action before the Board under section 5, he may not also seek relief from the court under section 4.

The bill does not affect any authority, right or privilege accorded under Executive Order 11491 governing employee-management cooperation in the Federal service. To the extent that there is any overlapping of subject matter, the bill simply provides an additional remedy.

THE BOARD ON EMPLOYEES' RIGHTS

As a result of hearings on S. 3779, the section creating a Board on Employees' Rights was added to the bill for introduction as S. 1035.

Employees have complained that administrative grievance procedures have often proved ineffective because they are cumbersome, time-consuming, and weighted on the side of management. Not only do those who break the rules go unpunished many times, but the fearful tenor of letters and telephone calls from throughout the country indicate that employees fear reprisals for noncompliance with improper requests or for filing of complaints and grievances. Oral and written directives of warning to this effect have been verified by the subcommittee. Section 1(e) of the bill, therefore, prevents reprisals for exercise of rights granted under the act and in such event accords the individual cause for complaint before the Board or the court.

Concerning the original bill in the 89th Congress, which did not provide for a board, representatives of the 14th department of the American Federation of Government Employees commented that the remedies are the most important aspects of such a bill because "unless due process procedures are explicitly provided, the remaining provisions of the bill may be easily ignored or circumvented by Federal personnel management. As a matter of fact, we believe, the reason employees' rights have been eroded so rapidly and so devastatingly in the last few years is the absence of efficient, expeditious, uniform, and legislatively well defined procedures of due process in the executive departments of the Federal Government."

An independent and nonpartisan Board is assured by congressional participation in its selection and by the fact that no member is to be a government employee. Provision is made for congressional monitoring through detailed reports.

Senator Ervin explained the function of the Board established by section 5 as follows:

"The bill sets up a new independent Federal agency with authority to receive complaints and make rulings on complaints—complaints of individual employees or unions representing employees. This independent agency, which would not be subject in any way to the executive branch of the Government, would be authorized to make rulings on these matters in the first instance. It would make a ruling on action in a particular agency or department that is an alleged violation of the provisions of the bill, with authority either on the part of the agency or the part of the individual or on the part of the union to take an appeal from the ruling of this independent agency to the Federal court for judicial review."

Throughout its study the subcommittee found that a major area of concern is the tendency in the review process in the courts or agencies to do no more than examine the lawfulness of the action or decision about which the employee has complained. For purposes of enforcing the act, sections 3, 4 and 5 assure adequate machinery for processing complaints and for prompt and impartial determination of the fairness and constitution-

ality of general policies and practices initiated at the highest agency levels or by the Civil Service Commission or by Executive order.

Finding no effective recourse against administrative actions and policies which they believed unfair or in violation of their rights, individual employees and their families turned to Congress for redress. Opening the hearings on invasions of privacy, Senator Ervin stated:

Never in the history of the Subcommittee on Constitutional Rights have we been so overwhelmed with personal complaints, phone calls, letters, telegrams, and office visits. In all of our investigations I have never seen anything to equal the outrage and indignation from Government employees, their families, and their friends. It is obvious that appropriate remedies are not to be found in the executive branch.

The complaints of privacy invasions have multiplied so rapidly of late that it is beyond the resources of Congress and its staff to repel effectively each individual official encroachment. Each new program brings a new wave of protest.

Prof. Alan Westin, director of the Science and Law Committee of the Bar Association of the city of New York, testified that these complaints "have been triggered by the fact that we do not yet have the kind of executive branch mechanism by which employees can lodge their sense of discomfort with personnel practices in the Federal Government and feel that they will get a fair hearing, that they will secure what could be called 'employment due process.' "

To meet this problem, Professor Westin proposed an independent board subject to judicial review, and with enforcement power over a broad statutory standard governing all invasion of privacy. Although it is continuing to study this proposal, the subcommittee has temporarily rejected this approach in the interest of achieving immediate enforcement of the act and providing administrative remedies for its violation. For this reason it supports the creation of a limited Board on Employees' Rights.

Perhaps one of the most important sections of the bill, if not the most important section, according to the United Federation of Postal Clerks, is the provision establishing the Board. The subcommittee was told—

"It would appear absolutely essential that any final legislation enacted into law must necessarily include such a provision. We can offer no suggestion for improvement of this section. As presently constituted the section is easily understood; and the most excellent and inclusive definition of the proposed "Board on Employees' Rights" which could possibly be enacted into law. It defines the right of employees to challenge violations of the proposed act; defines the procedures involved, as well as the authority of the Board, penalties for violation of the act, as well as establishing the right of judicial review for an aggrieved party, and finally provided for congressional review, and in effect, an annual audit by the Congress of all complaints, decisions, orders, and other related information resulting from activities and operations of the proposed act."

Sanctions

The need for sanctions against offending officials has been evident throughout the subcommittee's investigation of flagrant disregard of basic rights and unpunished flaunting of administrative guidelines and prohibitions. It was for this reason that S. 3779 of the 89th Congress and S. 1035, as introduced, contained criminal penalties for offenders and afforded broad civil remedies and penalties.

Reporting on the experiences of the American Civil Liberties Union in such employee cases, Lawrence Speiser testified:

"In filing complaints with agencies including the Civil Service Commission, the Army and the Navy, as I have during the period of time I have worked here in Washington, I have never been informed of any disciplinary action taken against any investigator for asking improper questions, for engaging in improper investigative techniques, for barring counsel when a person had a right to have counsel, or for a violation of any number of things that you have in this bill. Maybe some was taken, but I certainly couldn't get that information out of the agencies, after making the complaints. I would suggest that the bill also encompass provision for disciplinary action that would be taken against Federal employees who violate any of these rights that you have set out in the bill."

Other witnesses also pointed to the need for the disciplinary measures afforded by the powers of an independent Board to determine the need for corrective action and punishment, and felt they would be more effective than criminal penalties.

In view of the difficulty of filing criminal charges and obtaining prosecution and conviction of executive branch officials which might render the criminal enforcement provision meaningless for employees, the criminal penalties were deleted and a Board on Employee Rights incorporated into the scheme of remedies and sanctions in the bill.[1]

Although the Civil Service Commission and the executive agencies have advocated placing such administrative remedies within the civil service grievance and appeals system, the subcommittee believes that the key to effective enforcement of the unique rights recognized by this act lies in the employee's recource to an independent body.

"The theory of our Government," Professor Westin testified, "is that there should be somewhere within the executive branch where this kind of malpractice is corrected and that good administration ought to provide for control of supervision or other practices that are not proper. But the sheer size of the Federal Esablishment, the ambiguity of the relationship of the Civil Service Commission to employees, and the many different interests that the Civil Service Commission has to bear in its role in the Federal Government, suggest that it is not an effective instrument for this kind of complaint procedure."

SECTION-BY-SECTION ANALYSIS

SECTION 1

Section 1(a) makes it unlawful for a Federal official of any department or agency to require or request, or to attempt to require or request, any civilian employee of the United States serving in the department or agency or any person seeking employment to disclose his race, religion, or national origin, or the race, religion, or national origin of any of his forebears.

This section does not prohibit inquiry concerning citizenship of such individual if his citizenship is a statutory condition of his obtaining or retaining his employment. Nor does it preclude inquiry of the individual concerning his national origin or citizenship or that of his forebears when such inquiry is thought necessary or advisable in order to determine suitability for assignment to activities or undertaking related to national security within the United States or to activities or undertakings of any nature outside the United States.

This provision is directed at any practice which places the employee or applicant under compulsion to reveal such information as a condition of the employment relation. It is intended to implement the concept underlying the Federal merit system by which a person's race, religion, or national origin have no bearing on his right to be considered for Federal employment or on his right to retain a Federal position. This prohibition does not limit the existing authority or the executive branch to acquire such information by means other than self-disclosure.

Section 1(b) makes it unlawful for any officer of any executive department or executive agency of the U.S. Government, or for any person acting or purporting to act under this authority, to state, intimate, or to attempt to state or intimate, to any civilian employee of the United States serving in the department or agency that any notice will be taken of his attendance or lack of attendance at any assemblage, discussion, or lecture held or called by any officer of the executive branch of the U.S. Government, or by any person acting or purporting to act under his authority, or by any outside parties or organizations to advise, instruct, or indoctrinate any civilian employee of the United States serving in the department or agency in respect to any matter or subject other than (1) the performance of official duties to which he is or may be assigned in the department or agency, or (2) the development of skills, knowledge, or abilities which qualify him for the performance of such duties.

Nothing contained in this section is to be construed to prohibit taking notice of the participation of a civilian employee in the activities of any professional group or association.

This provision is designed to protect any employee from compulsion to attend meetings, discussions, and lectures on political, social, and economic subjects unrelated to his duties. It prevents Government officials from using the employment relationship to attempt to influence employee thoughts, attitudes, and actions on subjects which may be of concern to them as private citizens. In particular, this language is directed at practices and policies which in effect require attendance at such functions, including official lists of those attending or not attending; its purpose is to prohibit threat, direct or implied, written or oral, of official retaliation for nonattendance.

This section does not affect existing authority for providing information designed to promote the health and safety of employees. Nor does it affect existing authority to call meetings for the purpose of publicizing and giving notice to activities or service, sponsored by the department or agency, or campaigns such as charitable fund campaigns and savings bond drives.

Section 1(c) makes it unawful for any officer of any executive department or agency, or for any person acting or purporting to act under his authority, to require or request or to attempt to require or request any civilian employee serving in the department or agency to participate in any way in any activities or undertakings unless they are related to the performance of official duties to which he is or may be assigned in the department or agency or to the development of skills, knowledge, or abilities which qualify him for the performance of such duties.

This section is directed against official practices, requests, or orders that an employee take part in any civic function, political program, or community endeavor, or other activity which he might enjoy as a private citizen, but which is unrelated to his employment. It does not affect any existing authority to use appropriate techniques for publicizing existence of community programs such as blood-donation drives, or agency programs, benefits or services, and for affording opportunity for employee participation if he desires.

Section 1(d) makes it unlawful for any officer of any executive department or agency, or for any person acting under his authority to require or request or attempt to require or request, any civilian employee serving in the department or agency to make any report of his activities or undertakings unless they are related to the performance of official duties or to the development of skills, knowledge, or abilities which qualify

[1] In the 89th Congress, S. 1035.

him for the performance of such duties, or (2) unless there is reason to believe that the employee is engaged in outside activities or employment in conflict with his official duties.

This section is a minimum guarantee of the freedom of any employee to participate or not to participate in any endeavor or activity in his private life as a citizen, free of compulsion to report to supervisors his action or his inaction, his involvement or his noninvolvement. This section is to assure that in his private thoughts, actions, and activities he is free of intimidation or inhibition as a result of the employment relation.

The exceptions to the prohibition are not legislative mandates to require such information in those circumstances, but merely provide an area of executive discretion for reasonable management purposes and for observance and enforcement of existing laws governing employee conduct and conflicts of interest.

Section 1(e) makes it unlawful for any officer of any executive department or agency, or any person acting under his authority, to require or request any civilian employee serving in the department or agency, or any person applying for employment as a civilian employee to submit to any interrogation or examination or to take any psychological test designed to elict from him any information concerning his personal relationship with any person connected with him by blood or marriage, or concerning his religious beliefs or practices, or concerning his attitude or conduct with respect to sexual matters.

In accordance with an amendment made after hearings on S. 3779, a proviso is included to assure that nothing contained in this section shall be construed to prevent a physician from eliciting such information or authorizing such test in the diagnosis or treatment of any civilian employee or applicant where he feels the information is necessary to enable him to determine whether or not the individual is suffering from mental illness. The bill as introduced limited this inquiry to psychiatrists, but an amendment extended it to physicians, since the subcommittee was told that when no psychiatrist is available, it may be necessary for a general physician to obtain this information in determining the presence of mental illness and the need for further treatment.

This medical determination is to be made in individual cases and not pursuant to general practice or regulation governing the examination of employees or applicants according to grade, agency, or duties.

Under an amendment to the bill, this language is not to be construed to prohibit an official from advising an employee or applicant of a specific charge of sexual misconduct made against that person and affording him an opportunity to refute the charge. While providing no authority to request or demand such information, the section does not prevent an official who has received charges of misconduct which might have a detrimental effect on the person's employment from obtaining a clarification of the matter if the employee wishes to provide it.

This section would not prohibit all personality tests but merely those questions on the tests which inquire into the three areas in which citizens have a right to keep their thoughts to themselves.

It raises the criterion for requiring such personal information from the general "fitness for duty" test to the need for diagnosing or treating mental illness. The second proviso is designed to prohibit mass-testing programs. The language of this section provides guidelines for the various personnel and medical specialists whose practices and determinations may invade employee's personal privacy and thereby affect the individual's employment prospects or opportunities for advancement.

An amendment in section 6 provided an exception to this prohibition in the case of the use of such psychological tests by the Central Intelligence Agency and the National Security Agency, only if the Director of the agency or his designee makes a personal finding that the information is necessary to protect the national security.

Section 1(f) makes it unlawful for any officer of any executive department or agency or any person acting under his authority, to require or request or attempt to require or request any civilian employee or any applicant for employment to take any polygraph test designed to elicit from him information concerning his personal relationship with any person connected with him by blood or marriage, or concerning his religious beliefs or practices or concerning his attitude or conduct with respect to sexual matters. While this section does not eliminate entirely the use of so-called lie detectors in Government, it assures that where such devices are used, officials may not inquire into matters which are of a personal nature.

As with psychological testing, the Central Intelligence Agency and the National Security Agency, under section 6, are not prohibited from acquiring such information by polygraph, provided certain conditions are met.

Section 1(g) makes it illegal for an official to require or request an employee under his management to support the nomination or election of anyone to public office through personal endeavor, financial contribution, or any other thing of value. An employee may not be required or requested to attend any meeting held to promote or support the activities of any political party in the United States.

The purpose of this section is to assure that the employee is free from any job-related pressures to conform his thoughts and attitudes and actions in political matters unrelated to his job to those of his supervisors. With respect to his superiors, it protects him in the privacy of his contribution or lack of contribution to the civic affairs and political life of his community, State and Nation. In particular, it protects him from commands or requests of his employer to buy tickets to fundraising functions, or to attend such functions, to compile position papers or research material for political purposes or make any other contribution which constitutes a political act or which places him in the position of publicly expressing his support or nonsupport of a party or candidate. This section also assures that, although there is no evidence of such activities at present, no Federal agency may in the future improperly involve itself in the undertakings of any political party in the United States, its territories, or possessions.

Section 1(h) makes it illegal for an official to coerce or attempt to coerce any civilian employee in the department or agency to invest his earnings in bonds or other Government obligations or securities, or to make donations to any institutions or cause. This section does not prohibit officials from calling meetings or taking any other appropriate action to afford employees the opportunity voluntarily to invest his earnings in bonds or other obligations or voluntarily to make donations to any institution or cause. Appropriate action, in the committee's view, might include publicity and other forms of persuasion short of job-related pressures, threats, intimidation, reprisals of various types, and "blacklists" circulated through the employee's office or agency to publicize his noncompliance.

Section 1(i) makes it illegal for an official to require or request any civilian employee in the department or agency to disclose any items of his property, income, or other assets, source of income, or liabilities, or his personal or domestic expenditures or those of any member of his family. Exempted from coverage under this provision is any civilian employee who has authority to make any final determination with respect to the tax or other liability to the United States of any person, corporation, or other legal entity, or with respect to claims which require expenditure of Federal moneys. Section 6 provides certain exemptions for two security agencies.

Neither the Department of the Treasury nor any other executive department or agency is prohibited under this section from requiring any civilian employee to make such reports as may be necessary or appropriate for the determination of his liability for taxes, tariffs, custom duties, or other obligations imposed by law. This proviso is to assure that Federal employees may be subject to any reporting or disclosure requirements demanded by any law applicable to all persons in certain circumstances.

Section 1(j) makes it illegal to require or request any civilian employee exempted from application of section 3(i) under the first proviso of that section, to disclose any items of his property, income, or other assets, source of income, or liabilities, or his personal or domestic expenditures or those of any member of his family or household other than specific items tending to indicate a conflict of interest in respect to the performance of any of the official duties to which he is or may be assigned.

This section is designed to abolish and prohibit broad general inquiries which employees have likened to "fishing expeditions" and to confine any disclosure requirements imposed on an employee to reasonable inquiries about job-related financial interests. This does not preclude, therefore, questioning in individual cases where there is reason to believe the employee has a conflict of interest with his official duties.

Section 1(k) makes it unlawful for a Federal official of any department or agency to require or request, or attempt to require or request, a civilian employee who is under investigation for misconduct, to submit to interrogation which could lead to disciplinary action without the presence of counsel or other person of his choice, if he wishes.

This section is intended to rectify a long-standing denial of due process by which agency investigators and other officials prohibit or discourage presence of counsel or a friend. This provision is directed at any interrogation which could lead to loss of job, pay, security clearance, or denial of promotion rights.

This right insures to the employee at the inception of the investigation, and the section does not require that the employee be accused formally of any wrongdoing before he may request presence of counsel or friend. The section does not require the agency or department to furnish counsel.

A committee amendment to S. 782 adds a proviso that a civilian employee serving in the Central Intelligence Agency or the National Security Agency may be accompanied only by a person of his choice who serves in the agency in which the employee serves, or by counsel who has been approved by the agency for access to the information involved.

Section 1(l) makes it unlawful for a Federal official of any department or agency to discharge, discipline, demote, deny promotion, relocate, reassign, or otherwise impair existing terms or conditions of employment of any employee, or threaten to commit any such acts, because the employee has refused or failed to comply with any action made unlawful by this act or exercised any right granted by the act.

This section prohibits discrimination against any employee because he refuses to comply with an illegal order as defined by this act or takes advantage of a legal right embodied in the act.

SECTION 2

Section 2(a) makes it unlawful for any officer of the U.S. Civil Service Commission

or any person acting or purporting to act under his authority to require or request, or attempt to require or request, any executive department or any executive agency of the U.S. Government, or any officer or employee serving in such department or agency, to violate any of the provisions of section 1 of this act.

Specifically, this section is intended to ensure that the Civil Service Commission, acting as the coordinating policymaking body in the area of Federal civilian employment shall be subject to the same strictures as the individual departments or agencies.

Section 2(b) makes it unlawful for any officer of the U.S. Civil Service Commission, or any person acting or purporting to act under his authority, to require or request, or attempt to require or request, any person seeking to establish civil service status or eligibility for civilian employment, or any person applying for employment, or any civilian employee of the United States serving in any department or agency, to submit to any interrogation or examination or to take any psychological test which is designed to elicit from him information concerning his personal relationship with any person connected with him by blood or marriage, or concerning his religious beliefs or practices, or concerning his attitude or conduct with respect to sexual matters.

This section is intended to assure that the Civil Service Commission shall be subject to the same prohibitions to which departments and agencies are subject in sections 1 (e) and (f). The provisos contained in section 1(e) are restated here to assure that nothing in this section is to be construed to prohibit a physician from acquiring such data to determine mental illness, or an official from informing an individual of a specific charge of sexual misconduct and affording him an opportunity to refute the charge.

Section 2(c) makes it unlawful for any officer of the U.S. Civil Service Commission to require or request any person seeking to establish civil service status or eligibility for employment, or any person applying for employment in the executive branch of the U.S. Government, or any civilian employee serving in any department or agency to take any polygraph test designed to elicit from him information concerning his personal relationship with any person connected with him by blood or marriage, or concerning his religious beliefs or practices, or concerning his attitude or conduct with respect to sexual matters.

This section applies the provisions of section 1(f) to the Civil Service Commission in instances where it has authority over agency personnel practices or in cases in which its officials request information from the applicant or employee.

SECTION 3

This section applies the act to military supervisors by making violations of the act also violations of the Uniform Code of Military Justice.

SECTION 4

Section 4 provides civil remedies for violation of the act by granting an applicant or employee the right to bring a civil action in the Federal district court for a court order to halt the violation, or to obtain complete redress against the consequences of the violation. The action may be brought in his own behalf or in behalf of himself and others similarly situated, and the action may be filed against the offending officer or person in the Federal district court for the district in which the violation occurs or is threatened, or in the district in which the offending officer or person is found, or in the District Court for the District of Columbia.

The court hearing the case shall have jurisdiction to adjudicate the civil action without regard to the actuality or amount of pecuniary injury done or threatened. Moreover, the suit may be maintained without regard to whether or not the aggrieved party has exhausted available administrative remedies. If the individual complainant has pursued his relief through administrative remedies established for enforcement of the act and has obtained complete protection against threatened violations or complete redress for violations, this relief may be pleaded in bar of the suit. The court is empowered to provide whatever broad equitable and legal relief it may deem necessary to afford full protection to the aggrieved party; such relief may include restraining orders, interlocutory injunctions, permanent injunctions, mandatory injunctions, or such other judgments or decrees as may be necessary under the circumstances.

Another provision of section 4 would permit an aggrieved person to give written consent to any employee organization to bring a civil action on his behalf, or to intervene in such action. "Employee organizations" as used in this section includes any brotherhood, council, federation, organization, union, or professional association made up in whole or in part of Federal civilian employees, and which deals with departments, agencies, commissions, and independent agencies regarding employee matters.

A committee amendment provides that the Attorney General shall defend officers or persons who acted pursuant to an order, regulation, or directive, or who, in his opinion, did not willfully violate the provisions of the act.

SECTION 5

Section 5 establishes an independent Board on Employees' Rights, to provide employees with an alternative means of obtaining administrative relief from violations of the act, short of recourse to the judicial system.

Section 5(a) provides for a Board composed of three members, appointed by the President with the consent of the Senate. No member shall be an employee of the U.S. Government and no more than two members may be of the same political party. The President shall designate one member as Chairman.

Section 5(b) defines the term of office for members of the Board, providing that one members of the initial Board shall serve for 5 years, one for 3 years, and one for 1 year from the date of enactment; any member appointed to fill a vacancy in one of these terms shall be appointed for the remainder of the term. Thereafter, each member shall be appointed for 5 years.

Section 5(c) establishes the compensation for Board members at $75 for each day spent working in the work of the Board, plus actual travel expenses and per diem in lieu of subsistence expenses when away from their usual places of residence.

Section 5(d) provides that two members of the Board shall constitute a quorum for the transaction of business.

Section 5(e) provides that the Board may appoint and fix the compensation of necessary employees, and make such expenditures necessary to carry out the functions of the Board.

Section 5(f) authorizes the Board to make necessary rules and regulations to carry out its functions.

Section 5(g) provides that the Board shall have the authority and duty to receive and investigate written complaints from or on behalf of any person claiming to be affected or aggrieved by any violation or threatened violation of this act, and to conduct a hearing on each such complaint. Moreover, within 10 days after the receipt of such a complaint, the Board must furnish notice of time, place, and nature of the hearing to all interested parties, and within 30 days after concluding the hearing, it must render its final decision regarding any complaint.

Section 5(h) provides that officers or representatives of any employee organization in any degree concerned with employment of the category in which the violation or threat occurs, shall be given an opportunity to participate in the hearing through submission of written data, views, or arguments. In the discretion of the Board they are to be afforded an opportunity for oral presentation. This section further provides that Government employees called upon by any party or by any Federal employee organization to participate in any phase of any administrative or judicial proceeding under this section shall be free to do so without incurring travel cost or loss in leave or pay. They shall be free from restraint, coercion, interference, intimidation, or reprisal in or because of their participation. Any periods of time spent by Government employees during such proceedings shall be held to be Federal employment for all purposes.

Section 5(i) applies to the Board hearings the provisions of the Administrative Procedure Act relating to notice and conduct of hearings insofar as consistent with the purpose of this section.

Section 5(j) requires the Board, if it determines after a hearing that this act has not been violated, to state such determination and notify all interested parties of the findings. This determination shall constitute a final decision of the Board for purposes of judicial review.

Section 5(k) specifies the action to be taken by the Board if, after a hearing, it determines that any violation of this act has been committed or threatened. In such case, the Board shall immediately issue and cause to be served on the offending officer or employee an order requiring him to cease and desist from the unlawful practice or act. The Board is to endeavor to eliminate the unlawful act or practice by informal methods of conference, conciliation, and persuasion.

Within its discretion, the Board may, in the case of a first offense, issue an official reprimand against the offending officer or employee, or order the employee suspended from his position without pay for a period not exceeding 15 days. In the case of a second or subsequent offense, the Board may order, the offending officer or employee suspended without pay for a period not exceeding 30 days, or may order his removal from office.

Officers appointed by the President, by and with the advice and consent of the Senate, are specifically excluded from the application of these disciplinary measures; but the section provides that, in the case of a violation of this act by such individuals, the Board may transmit a report concerning such violation to the President and the Congress.

Section 5(l) provides for Board action when any officer of the Armed Forces of the United States or any person acting under his authority violates the act. In such event, the Board shall (1) submit a report to the President, the Congress, and to the Secretary of the military department concerned, (2) endeavor to eliminate any unlawful act or practice through informal methods of conference, conciliation, and persuasion, and (3) refer its determination and the record in the case to any person authorized to convene general courts-martial under section 822 (article 22) of title 10, United States Code. When this determination and report is received, the person designated shall immediately dispose of the matter under the provisions of chapter 47 of title 10 of the United States Code.

Section 5(m) provides that when any party disagrees with an order or final determination of the Board, he may institute a civil action for judicial review in the Federal district court for the district wherein the violation or threatened violation occurred, or in the District Court for the District of Columbia.

The court has jurisdiction to (1) affirm, modify, or set aside any determination or order made by the Board, or (2) require the Board to make any determination or order which it is authorized to make under section 5(k) but which it has refused to make. In considering the record as a whole, the court

is to set aside any finding, conclusion, determination, or order of the Board unsupported by substantial evidence.

The type of review envisioned here is similar to that obtained under the Administrative Procedure Act in such cases but this section affords a somewhat enlarged scope for consideration of the case than is now generally accorded on appeal of employee cases. The court here has more discretion for action on its own initiative. To the extent that they are consistent with this section, the provisions for judicial review in title 5 of the United States Code would apply.

Section 5(n) provides for congressional review by directing the Board to submit to the Senate and to the House of Representatives an annual report which must include a statement concerning the nature of all complaints filed with it, the determinations and orders resulting from hearings, and the names of all officers or employees against whom any penalties have been imposed under this section.

Section 5(o) provides an appropriation of $100,000 for the Board on Employee Rights.

SECTION 6

Section 6 provides that nothing in the act shall be construed to prohibit an officer of the Central Intelligence Agency or of the National Security Agency, under specific conditions, from requesting an applicant or employee to submit a personal financial statement of the type defined in subsection 1 (i) and (j) or to take any polygraph or psychological test designed to elicit the personal information protected under subsection 1(e) or 1(f).

In these agencies, such information may be acquired from the employee or applicant by such methods only if the Director of the agency or his designee makes a personal finding with regard to each individual that such test or information is required to protect the national security.

SECTION 7

Section 7 requires, in effect, that employees of the Central Intelligence Agency and the National Security Agency exhaust their administrative remedies before invoking the provisions of section 4 (the Board on Employee Rights) or section 5 (the Federal court action). An employee, his representative, or any organization acting in his behalf, must first submit a written complaint to the agency and afford it 120 days to prevent the threatened violation or to redress the actual violation. A proviso states that nothing in the act affects any existing legal authority of the Central Intelligence Agency under 50 U.S.C. 403(c) or of the National Security Agency under 50 U.S.C. 833 to terminate employment.

SECTION 8

Section 8 provides that nothing in the act shall be construed to affect in any way authority of the directors of the Central Intelligence Agency or the National Security Agency to protect or withhold information pursuant to statute or Executive order. In cases involving his employees, the personal certification by the Director of the agency that disclosure of any information is inconsistent with the provision of any statute or Executive order is to be conclusive and no such information shall be admissible in evidence in any civil action under section 4 or in any proceeding or civil action under section 5. Nor may such information be receivable in the record of any interrogation of an employee under section 1(k).

SECTION 9

Section 9 provides that the Federal Bureau of Investigation shall be excluded from the provisions of this act.

SECTION 10

Section 10 provides that nothing contained in sections 4 or 5 shall be construed to prevent the establishment of department and agency grievance procedures to enforce this act. This section makes it clear that the existence of such procedures are not to preclude any applicant or employee from pursuing any other available remedies. However, if under the procedures established by an agency, the complainant has obtained complete protection against threatened violations, or complete redress for violations, such relief may be pleaded in bar in the U.S. district court or in proceedings before the Board on Employees' Rights.

Furthermore, an employee may not seek his remedy through both the Board and the court. If he elects to pursue his remedies through the Board under section 5, for instance, he waives his right under section 4 to take his case directly to the district court.

SECTION 11

Section 11 is the standard severability clause.

Mr. HRUSKA. Mr. President, I am pleased today to join my distinguished colleague from North Carolina, Senator ERVIN, in support of S. 1688, which seeks to protect certain constitutional rights of employees of the executive branch of Government.

This measure has come before the Senate on several previous occasions and has received unanimous approval each time as I recall; but has subsequently failed to receive similar approval in the House.

The thrust of the bill is to prohibit the Federal Government from requiring employees of the executive branch and applicants for other Government positions to disclose their race, religion, or national origin. The measure also prohibits questions about the activities of employees after duty hours and in activities unrelated to their work or about their personal attitudes and beliefs, or their political views or preferences. In addition, it makes illegal the requirement for the filing of a personal financial statement unless a conflict-of-interest question is raised.

Some of the major objections to previous measures on this subject have been overcome in the instant bill. The Federal Bureau of Investigation, Central Intelligence Agency, and National Security Agency are exempt completely from the provisions of S. 1688. Moreover, the bill now provides for the right to have counsel present during certain proceedings, and for access to the courts for judicial remedy where complaints may arise.

It is fitting that S. 1688 come before the Senate for consideration at this time. This measure coincides with the President's recent announcement on the establishment of a Cabinet-level Commission on Privacy. The purpose of the Commission is to institute positive efforts by the Federal Government to protect the fundamental rights of privacy for all citizens. S. 1688 is one segment of that effort as it provides the Congress an opportunity to express its collective will in an area of concern to all Americans.

I urge my colleagues in the Senate, and in the other body, to act in an expeditious manner on this measure so that it may be placed before the President for his approval in the near future. This legislation is overdue, as a recognition of the President's proposal for a Commission on Privacy indicates. Therefore, it is now within the grasp of the Congress to recognize the need for the protection of the rights of privacy for executive branch employees and take appropriate action to achieve that end.

Mr. ERVIN. I am deeply grateful to the Senator from Nebraska, not only for his remarks on this occasion but for his assistance throughout the years in perfecting this measure. I think the bill in its present form protects the right to privacy of Federal employees without doing any substantial injury to the necessary processes of government.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 1688) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 1688

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

SECTION 1. It shall be unlawful for any officer of any executive department or any executive agency of the United States Government, or for any person acting or purporting to act under his authority, to do any of the following things:

(a) To require or request, or to attempt to require or request, any civilian employee of the United States serving in the department or agency, or any person seeking employment in the executive branch of the United States Government, to disclose his race, religion, or national origin, or the race, religion, or national origin of any of his forebears: *Provided, however,* That nothing continued in this subsection shall be construed to prohibit inquiry concerning the citizenship of any such employee or person if his citizenship is a statutory condition of his obtaining or retaining his employment: *Provided further,* That nothing contained in this subsection shall be construed to prohibit inquiry concerning the national origin or citizenship of any such employee or person or of his forebears, when such inquiry is deemed necessary or advisable to determine suitability for assignment to activities or undertakings related to the national security within the United States or to activities or undertakings of any nature outside the United States.

(b) To state or intimate, or to attempt to state or intimate, to any civilian employee of the United States serving in the department or agency that any notice will be taken of his attendance or lack of attendance at any assemblage, discussion, or lecture held or called by any officer of the executive branch of the United States Government, or by any person acting or purporting to act under his authority, or by any outside parties or organizations to advise, instruct, or indoctrinate any civilian employee of the United States serving in the department or agency in respect to any matter or subject other than the performance of official duties to which he is or may be assigned in the department or agency, or the development of skills, knowledge, or abilities which qualify him for the performance of such duties: *Provided, however,* That nothing contained in this subsection shall be construed to prohibit taking notice of the participation of a civilian employee in the activities of any professional group or association.

(c) To require or request, or to attempt to require or request, any civilian employee of the United States serving in the department or agency to participate in any way in any activities or undertakings unless such activities or undertakings are related to the performance of official duties to which he is or may be assigned in the department or agency, or to the development of skills, knowledge, or abilities which qualify him for the performance of such duties.

(d) To require or request, or to attempt to require or request, any civilian employee of the United States serving in the department or agency to make any report concerning any

of his activities or undertakings unless such activities or undertakings are related to the performance of official duties to which he is or may be assigned in the department or agency, or to the development of skills, knowledge, or abilities which qualify him for the performance of such duties, or unless there is reason to believe that the civilian employee is engaged in outside activities or employment in conflict with his official duties.

(e) To require or request, or to attempt to require or request, any civilian employee of the United States serving in the department or agency, or any person applying for employment as a civilian employee in the executive branch of the United States Government, to submit to any interrogation or examination or to take any psychological test which is designed to elicit from him information concerning his personal relationship with any person connected with him by blood or marriage, or concerning his religious beliefs or practices, or concerning his attitude or conduct with respect to sexual matters: *Provided, however,* That nothing contained in this subsection shall be construed to prevent a physician from eliciting such information or authorizing such tests in the diagnosis or treatment of any civilian employee or applicant where such physician deems such information necessary to enable him to determine whether or not such individual is suffering from mental illness: *Provided further, however,* That this determination shall be made in individual cases and not pursuant to general practice or regulation governing the examination of employees or applicants according to grade, agency, or duties: *Provided further, however,* That nothing contained in this subsection shall be construed to prohibit an officer of the department or agency from advising any civilian employee or applicant of a specific charge of sexual misconduct made against that person, and affording him an opportunity to refute the charge.

(f) To require or request, or attempt to require or request, any civilian employee of the United States serving in the department or agency, or any person applying for employment as a civilian employee in the executive branch of the United States Government, to take any polygraph test designed to elicit from him information concerning his personal relationship with any person connected with him by blood or marriage, or concerning his religious beliefs or practices, or concerning his attitude or conduct with respect to sexual matters.

(g) To require or request, or to attempt to require or request, any civilian employee of the United States serving in the department or agency to support by personal endeavor or contribution of money or any other thing of value the nomination or the election of any person or group of persons to public office in the Government of the United States or of any State, district, Commonwealth, territory, or possession of the United States, or to attend any meeting held to promote or support the activities or undertakings of any political party of the United States or of any State, district, Commonwealth, territory, or possession of the United States.

(h) To coerce or attempt to coerce any civilian employee of the United States serving in the department or agency to invest his earnings in bonds or other obligations or securities issued by the United States or any of its departments or agencies, or to make donations to any institution or cause of any kind: *Provided, however,* That nothing contained in this subsection shall be construed to prohibit any officer of any executive department or any executive agency of the United States Government, or any person acting or purporting to act under his authority, from calling meetings and taking any action appropriate to afford any civilian employee of the United States the opportunity voluntarily to invest his earnings in bonds or other obligations or securities issued by the United States or any of its departments or agencies, or voluntarily to make donations to any institution or cause.

(i) To require or request, or to attempt to require or request, any civilian employee of the United States serving in the department or agency to diclose any items of his property, income, or other assets, source of income, or liabilities, or his personal or domestic expenditures or thoose of any member of his family or household: *Provided, however,* That this subsection shall not apply to any civilian employee who has authority to make any final determination with respect to the tax or other liability of any person, corporation, or other legal entity to the United States, or claims which require expenditure of moneys of the United States: *Provided further, however,* That nothing contained in this subsection shall prohibit the Department of the Treasury or any other executive department or agency of the United States Government from requiring any civilian employee of the United States to make such reports as may be necessary or appropriate for the determination of his liability for taxes, tariffs, custom duties, or other obligations imposed by law.

(j) To require or request, or to attempt to require or request, any civilian employee of the United States embraced within the terms of the proviso in subsection (i) to disclose any items of his property, income, or other assets, source of income, or liabilities, or his personal or domestic expenditures or those of any member of his family or household other than specific items tending to indicate a conflict of interest in respect to the perfomance of any of the official duties to which he is or may be assigned.

(k) To require or request, or to attempt to require or request, any civilian employee of the United States serving in the department or agency, who is under investigation for misconduct, to submit to interrogation which could lead to disciplinary action without the presence of counsel or other person of his choice, if he so requests: *Provided, however,* That a civilian employee of the United States serving in the Central Intelligence Agency or the National Security Agency may be accompanied only by a person of his choice who serves in the agency in which the employee serves, or by counsel who has been approved by the agency for access to the information involved.

(l) To discharge, discipline, demote, deny promotion to, relocate, reassign, or otherwise discriminate in regard to any term or condition of employment of, any civilian employee of the United States serving in the department or agency, or to threaten to commit any of such acts, by reason of the refusal or failure of such employee to submit to or comply with any requirement, request, or action made unlawful by this Act, or by reason of the exercise by such civilian employee of any right granted or secured by this Act.

SEC. 2. It shall be unlawful for any officer of the United States Civil Service Commission, or for any person acting or purporting to act under his authority, to do any of the following things:

(a) To require or request, or to attempt to require or request, any executive department or any executive agency of the United States Government, or any officer or employee serving in such department or agency, to violate any of the provisions of section 1 of this Act.

(b) To require or request, or to attempt to require or request, any person seeking to establish civil service status or eligibility for employment in the executive branch of the United States Government, or any person applying for employment in the executive branch of the United States Government, or any civilian employee of the United States serving in any department or agency of the United States Government, to submit to any interrogation or examination or to take any psychological test which is designed to elicit from him information concerning his personal relationship with any person connected with him by blood or marriage, or concerning his religious beliefs or practices, or concerning his attitude or conduct with respect to sexual matters: *Provided, however,* That nothing contained in this subsection shall be construed to prevent a physician from eliciting such information or authorizing such tests in the diagnosis or treatment of any civilian employee or applicant where such physician deems such information necessary to enable him to determine whether or not such individual is suffering from mental illness: *Provided further, however,* That this determination shall be made in individual cases and not pursuant to general practice or regulation governing the examination of employees or applicants according to grade, agency, or duties: *Provided, further, however,* That nothing contained in this subsection shall be construed to prohibit an officer of the Civil Service Commission from advising any civilian employee or applicant on a specific charge of sexual misconduct made against that person, and affording him an opportunity to refute the charge.

(c) To require or request, or to attempt to require or request, any person seeking to establish civil service status or eligibility for employment in the executive branch of the United States Government, or any person applying for employment in the executive branch of the United States Government, or any civilian employee of the United States serving in any department or agency of the United States Government, to take any polygraph test designed to elicit from him information concerning his personal relationship with any person connected with him by blood or marriage, or concerning his religious beliefs or practices, or concerning his attitude or conduct with respect to sexual matters.

SEC. 3. It shall be unlawful for any commissioned officer, as defined in section 101 of title 10, United States Code, or any member of the Armed Forces acting or purporting to act under his authority, to require or request, or to attempt to require or request, any civilian employee of the executive branch of the United States Government under his authority or subject to his supervision to perform any of the acts or submit to any of the requirements made unlawful by section 1 of this Act.

SEC. 4. Whenever any officer of any executive department or any executive agency of the United States Government, or any person acting or purporting to act under his authority, or any commissioned officer as defined in section 101 of title 10, United States Code, or any member of the Armed Forces acting or purporting to act under his authority, violates or threatens to violate any of the provisions of section 1, 2, or 3 of this Act, any civilian employee of the United States serving in any department or agency of the United States Government, or any person applying for employment in the executive branch of the United States Government, or any person seeking to establish civil service status or eligibility for employment in the executive branch of the United States Government, affected or aggrieved by the violation or threatened violation, may bring a civil action in his own behalf of himself and others similarly situated, against the offending officer or person in the United States district court for the district in which the violation occurs or is threatened, or the district in which the offending officer or person is found, or in the United States District Court for the District of Columbia, to prevent the threatened violation or to obtain redress against the consequences of the violation. The Attorney General shall defend all officers or persons sued under this section who acted pursuant to an order, regulation, or directive, or who, in his opinion, did not willfully violate the provisions of this Act.

Such United States district court shall have jurisdiction to try and determine such civil action irrespective of the actuality or amount of pecuniary injury done or threatened, and without regard to whether the aggrieved party shall have exhausted any administrative remedies that may be provided by law, and to issue such restraining order, interlocutory injunction, permanent injunction, or mandatory injunction, or enter such other judgment or decree as may be necessary or appropriate to prevent the threatened violation, or to afford the plaintiff and others similarly situated complete relief against the consequences of the violation. With the written consent of any person affected or aggrieved by a violation or threatened violation of section 1, 2, or 3 of this Act, any employee organization may bring such action on behalf of such person, or may intervene in such action. For the purposes of this section employee organizations shall be construed to include any brotherhood, council, federation, organization, union, or professional association made up in whole or in part of civilian employees of the United States and which has as one of its purposes dealing with departments, agencies, commissions, and independent agencies of the United States concerning the condition and terms of employment of such employees.

SEC. 5. (a) There is hereby established a Board on Employees' Rights (hereinafter referred to as the "Board"). The Board shall be composed of three members, appointed by the President, by and with the advice and consent of the Senate. The President shall designate one member as chairman. No more than two members of the Board may be of the same political party. No member of the Board shall be an officer or employee of the United States Government.

(b) The term of office of each member of the Board shall be five years, except that (1) of those members first appointed, one shall serve for five years, one for three years, and one for one year, respectively, from the date of enactment of this Act, and (2) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term.

(c) Members of the Board shall be compensated at the rate of $75 a day for each day spent in the work of the Board, and shall be paid actual travel expenses and per diem in lieu of subsistence expenses when away from their usual places of residence, as authorized by section 5703 of title 5, United States Code.

(d) Two members shall constitute a quorum for the transaction of business.

(e) The Board may appoint and fix the compensation of such officers, attorneys, and employees, and make such expenditures, as may be necessary to carry out its functions.

(f) The Board shall make such rules and regulations as shall be necessary and proper to carry out its functions.

(g) The Board shall have the authority and duty to receive and investigate written complaints from or on behalf of any person claiming to be affected or aggrieved by any violation or threatened violation of this Act and to conduct a hearing on each such complaint. Within ten days after the receipt of any such complaint, the Board shall furnish notice of the time, place, and nature of the hearing thereon to all interested parties. The Board shall render its final decision with respect to any complaint within thirty days after the conclusion of its hearing thereon.

(h) Officers or representatives of any Federal employee organization in any degree concerned with employment of the category in which any alleged violation of this Act occurred or is threatened shall be given an opportunity to participate in each hearing conducted under this section, through submission of written data, views, or arguments, and in the discretion of the Board, with opportunity for oral presentation. Government employees called upon by any party or by any Federal employee organization to participate in any phase of any administrative or judicial proceeding under this section shall be free to do so without incurring travel cost or suffering loss in leave or pay; and all such employees shall be free from restraint, coercion, interference, intimidation, or reprisal in or because of their participation. Any periods of time spent by Government employees during such participation shall be held and considered to be Federal employment for all purposes.

(i) Insofar as consistent with the purposes of this section, the provisions of subchapter II of chapter 5 of title 5, United States Code, relating to the furnishing of notice and manner of conducing agency hearings, shall be applicable to hearings conducted by the Board under this section.

(j) If the Board shall determine after hearing that a violation of this Act has not occurred or is not threatened, the Board shall state its determination and notify all interested parties of such determination. Each such determination shall constitute a final decision of the Board for purposes of judicial review.

(k) If the Board shall determine that any violation of this Act has been committed or threatened by any civilian officer or employee of the United States, the Board shall immediately (1) issue and cause to be served on such officer or employee an order requiring such officer or employee to cease and desist from the unlawful act or practice which constitutes a violation, (2) endeavor to eliminate any such unlawful act or practice by informal methods of conference, conciliation, and persuasion, and (3) may—

(A) (i) in the case of the first offense by any civilian officer or employee of the United States, other than any officer appointed by the President, by and with the advice and consent of the Senate, issue an official reprimand against such officer or employee or order the suspension without pay of such officer or employee from the position or office held by him for a period of not to exceed fifteen days, and (ii) in the case of a second or subsequent offense by any such officer or employee, order the suspension without pay of such officer or employee from the position or office held by him for a period of not to exceed thirty days or order the removal of such officer or employee from such position or office; and

(B) in the case of any offense by any officer appointed by the President, by and with the advice and consent of the Senate, transmit a report concerning such violation to the President and the Congress.

(l) If the Board shall determine that any violation of this Act has been committed or threatened by any officer of any of the Armed Forces of the United States, or any person purporting to act under authority conferred by such officer, the Board shall (1) submit a report thereon to the President, the Congress, and the Secretary of the military department concerned, (2) endeavor to eliminate any unlawful act or practice which constitutes such a violation by informal methods of conference, conciliation, and persuasion, and (3) refer its determination and the record in the case to any person authorized to convene general courts-martial under section 822 (article 22) of title 10, United States Code. Thereupon such person shall take immediate steps to dispose of the matter under chapter 47 of title 10, United States Code (Uniform Code of Military Justice).

(m) Any party aggrieved by any final determination or order of the Board may institute, in the district court of the United States for the judicial district wherein the violation or threatened violation of this Act occurred, or in the United States District Court for the District of Columbia, a civil action for the review of such determination or order. In any such action, the court shall have jurisdiction to (1) affirm, modify, or set aside any determination or order made by the Board which is under review, or (2) require the Board to make any determination or order which it is authorized to make under subsection (k), but which it has refused to make. The reviewing court shall set aside any finding, conclusion, determination, or order of the Board as to which complaint is made which is unsupported by substantial evidence on the record considered as a whole.

(n) The Board shall submit, not later than March 31 of each year, to the Senate and House of Representatives, respectively, a report on its activities under this section during the immediately preceding calendar year, including a statement concerning the nature of all complaints filed with it, its determinations and orders resulting from hearings thereon, and the names of all officers or employees of the United States with respect to whom any penalties have been imposed under this section.

(o) There are authorized to be appropriated sums necessary, not in excess of $100,000, to carry out the provisions of this section.

SEC. 6. Nothing contained in this Act shall be construed to prohibit an officer of the Central Intelligence Agency or of the National Security Agency from requesting polygraph test, or to take a psychological any civilian employee or applicant to take a test, designed to elicit from him information concerning his personal relationship with any person connected with him by blood or marriage, or concerning his religious beliefs or practices, or concerning his attitude or conduct with respect to sexual matters, or to provide a personal financial statement, if the Director of the Central Intelligence Agency or his designee or the Director of the National Security Agency or his designee makes a personal finding with regard to each individual to be so tested or examined that such test or information is required to protect the national security.

SEC. 7. No civilian employee of the United States serving in the Central Intelligence Agency or the National Security Agency, and no individual or organization acting in behalf of such employee, shall be permitted to invoke the provisions of sections 4 and 5 without first submitting a written complaint to the agency concerned about the threatened or actual violation of this Act and affording such agency one hundred and twenty days from the date of such complaint to prevent the threatened violation or to redress the actual violation: *Provided, however,* That nothing in this Act shall be construed to affect any existing authority of the Director of Central Intelligence under section 403(c), of title 50, United States Code, and any authorities available to the National Security Agency under section 833 of title 50, United States Code, to terminate the employment of any employee.

SEC. 8. Nothing in this Act shall be construed to affect in any way the authority of the Directors of the Central Intelligence Agency or the National Security Agency to protect or withhold information pursuant to statute or executive order. The personal certification by the Director of the agency that disclosure of any information is inconsistent with the provision of any statute or Executive order shall be conclusive and no such information shall be admissible in evidence in any interrogation under section 1(k) or in any civil action under section 4 or in any proceeding or civil action under section 5.

SEC. 9. This Act shall not be applicable to the Federal Bureau of Investigation.

SEC. 10. Nothing contained in sections 4 and 5 shall be construed to prevent establishment of department and agency grievance procedures to enforce this Act, but the existence of such procedures shall not preclude any applicant or employee from pursuing the remedies established by this Act or any other remedies provided by law: *Provided, however,* That if under the procedures established, the

employee or applicant has obtained complete protection against threatened violations or complete redress for violations, such action may be pleaded in bar in the United States district court or in proceedings before the Board on Employee Rights: *And provided further,* That if an employee elects to seek a remedy under either section 4 or section 5, he waives his right to proceed by an independent action under the remaining section.

SEC. 11. If any provision of this Act or the application of any provision to any person or circumstance shall be held invalid, the remainder of ths Act or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected.

Mr. ERVIN. Mr. President, I ask unanimous consent that the text of the bill and a statement prepared by me with respect to the bill be printed in the RECORD at this point.

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

Mr. ERVIN. Mr. President, over the past decade I have taken the floor many times to urge passage of legislation to insure that the privacy of federal employees is respected and protected. My colleagues here in the Senate have been unstinting in their support of my efforts. They have repeatedly approved, usually by unanimous votes, the Federal Employee Privacy Bill—also known as the "Federal Employees Bill of Rights"—which was again passed by the Senate this afternoon as S. 1688.

I am gratified by the Senate's renewed unanimous approval of these privacy-protective measures. It is now up to the House of Representatives to vote on this legislation which heretofore has languished and died in the House Post Office and Civil Service Committee. This year I understand that, through the good efforts of Representative Waldie and his colleagues on the House Retirement and Employee Benefits Subcommittee, who have recently held hearings on this legislation, there is a good chance that the Federal Employee Privacy Bill will at last be reported out for a vote on the House floor. I urge my friends in the House of Representatives to consider favorably this federal employee privacy legislation, which the Senate has so often approved in the past.

I have been impressed in recent days by the broad bipartisan support for seeking ways to assure individual Americans of their right to privacy. Everywhere I turn these days I am pleased to see new evidence of this bipartisan determination to protect individual privacy from unwarranted governmental interference. Forty-four Senators, on both sides of the aisle, have joined me in cosponsoring S. 1688, the Federal Employee Privacy Bill.

On another front in the fight to protect individual privacy, Senators of both political parties, as well as the Justice Department, are currently cooperating in drawing up legislation designed to protect the privacy of individuals who may be the subjects of criminal justice information systems. As Chairman of the Constitutional Rights Subcommittee, I am in the process of chairing hearings regarding this important privacy legislation. I am particularly impressed by the broad areas of agreement among virtually all interested parties that more effective constraints on the unwarranted collection, storage and dissemination of criminal justice information are needed now.

Moreover, the President's recent Address on Privacy underscores the Administration's comitment to the protection of individual privacy as "the most basic of all individual rights." The President concluded his address with a statement in which I emphatically concur:

"In the first half of this century, Mr. Justice Brandeis called privacy the 'right most valued by civilized men.' In the last half of this century, we must also make it the right that is most protected."

I look forward to the "direct enforceable measures" which the President has promised as the fruits of this concern about individual privacy.

The passage of the Federal Employee Privacy Bill by the Senate today is further evidence of this broad bipartisan support for the protection of individual privacy. I urge both Democratic and Republican Members of the House of Representatives, as well as the President to join the Senate in taking positive privacy protective action by seeing that this legislation designed to protect the privacy of government servants becomes law.

The need for this legislation is greater now than ever before. The report on the Federal Employee Privacy Bill (S. 1688), which I filed earlier this week, outlines in great detail the kinds of abuses and invasions of privacy which the federal employee privacy legislation is designed to prevent. Let me take just a moment now to share with you some of the additional threats to individual privacy which federal employees have brought to my attention in the past few weeks.

One instance involves some constituents of mine down in Durham, North Carolina. They are data processing, administrative and clerical personnel (GS–4 through GS–13) who work for the Environmental Protection Agency in the Data Systems and Procurement Management Divisions. Early this year twenty or more of these folks received a notice that "your position has been identified as one requiring a post-appointment full field investigation." They were instructed to complete, in triplicate, Form 86, "Security Investigation Data for Sensitive Position," as well as Form 87, the FBI fingerprint form.

Now, as Mr. Huston Blair of Durham, North Carolina, who informed me of this matter, pointed out, none of these twenty data processing, administrative and clerical workers were in any way involved in matters affecting the national security. Nor did they hold positions classified as sensitive. It sounded to Huston Blair, and it sounds to me, like unnecessary government snooping into the private lives of its employees.

I asked the Environmental Protection Agency to look into the matter and explain to me why these twenty civil servants down in North Carolina should be required to provide, on pain of criminal penalties, personal information about themselves, members of their families (living and dead) and their associations, so that their "character and honesty" can be evaluated. The Environmental Protection Agency replied that these so-called "security investigations" of people in non-sensitive clerical and administrative positions were standard operating procedures "consistent with policies of other regulatory agencies."

In addition, within the past few days I learned about some secret files kept by all supervisors of Air Force civilian employees. The Air Force Regulation under which the files were established describes them as containing "a record of the employee's conduct, performance evaluations, reprimands, commendations, debts, and complaints that may be necessary and useful in making and supporting decisions of work assignments." This regulation further provides that "an employee has no right to see" his record. On the other hand, his record must be available "for easy review by CPO [Central Personnel Office] representatives, higher level supervisors, and others authorized to make such a review." An Air Force civilian employee has described to me some of his difficulties in trying to find out about what he describes as "derogatory and libelous information about me, my personal life and medical history," which has been made a part of this secret file.

I have also been reading recently about revised instructions for preparing and submitting "Minority Group Designator data," as well as revisions of Agency Personnel Management Evaluation Systems which are to include various reports, evaluations and "personnel questionnaire surveys." Now, I do not yet know precisely what all these plans and changes mean for the privacy of federal employees. But these changes do demonstrate the fact that without the enactment of federal employee privacy legislation, the possibilities for increasing intrusions into the private lives of federal employees are unlimited.

In speaking about "government bureaucracies [which] seem to thrive on collecting additional information," President Nixon called, in his Address on Privacy, for "reasonable limits on what is collected and how it is used." I submit that Presidential support for the Federal Employee Privacy Bill, which has just passed the Senate, is perhaps the most appropriate way I can think of for him to begin setting these reasonable limits on governmental intrusion into people's private lives.

It is said that charity begins at home. I think that is where privacy begins, too. I hope that the President will see fit to begin his promised privacy protective measures right here in the Executive Branch, with statutory protections for the privacy of his own people, the millions of federal employees whose privacy is invaded perhaps more ruthlessly than any other Americans.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, what is the pending matter before the Senate?

The PRESIDING OFFICER. There is no matter pending before the Senate at this point.

HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 669, S. 3066, so that it may become the pending business, and that no time be consumed on the bill today.

The PRESIDING OFFICER. The bill will be stated by title.

The second assistant legislative clerk read as follows:

A bill (S. 3066) to consolidate, simplify, and improve laws relative to housing and housing assistance, to provide Federal assistance in support of community development activities, and for other purposes.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its consideration.

Mr. ROBERT C. BYRD. Mr. President, under the agreement previously entered into, I ask the Chair whether the amendments to be offered by the Senator from New York (Mr. JAVITS), which are specified in the agreement, would be in order regardless of their germaneness.

The PRESIDING OFFICER. Under the precedents of the Senate, named amendments under a unanimous-consent agreement would not have to be germane.

Mr. ROBERT C. BYRD. I thank the Chair. That was my intention in propounding the request.

So that there will be no question about it, I ask unanimous consent that those amendments by Mr. JAVITS be in order, regardless of their germaneness.

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

ORDER FOR ADJOURNMENT UNTIL 10:30 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in adjournment until the hour of 10:30 a.m. tomorrow.

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

AUTHORITY FOR STAFF MEMBERS TO RECEIVE BILLS, RESOLUTIONS, AND AMENDMENTS AT THE DESK WHEN SIGNED AND PRESENTED BY A SENATOR DURING THE REMAINDER OF THIS CONGRESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that during the remainder of this Congress it be in order for the proper members of the staff to receive bills, resolutions, and amendments at the desk when signed and presented by a Senator at any time during the day of a session of the Senate when no question is raised thereon, and that in accordance with the rules, it be in order to refer them to the appropriate committee or to refer the amendments, or order them printed and to lie on the table, as requested by the said Senator.

May I say to the Senator from Texas that this request has been cleared earlier today with the leadership on his side of the aisle.

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

TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business, with statements therein limited to 5 minutes.

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

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

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

REPORT OF DEPARTMENT OF NAVY

A letter from the Secretary of the Navy, transmitting a report of the facts concerning action pertaining to the Fleet Missile Systems Analysis and Evaluation Group, Corona, California (with an accompanying report). Referred to the Committee on Armed Services.

PROPOSED LEGISLATION OF SMALL BUSINESS ADMINISTRATION

A letter from the Administrator, United States Small Business Administration, transmitting a draft of proposed legislation to clarify the authority of the Small Business Administration, and for other purposes (with an accompanying paper). Referred to the Committee on Banking, Housing and Urban Affairs.

PROPOSED LEGISLATION BY FEDERAL ENERGY OFFICE

A letter from the Administrator, Federal Energy Office, transmitting a draft of proposed legislation to provide for the labeling of major appliances and motor vehicles to promote and effect energy conservation, and for other purposes (with an accompanying paper). Referred to the Committee on Commerce.

REPORT OF HIGHWAY TRUST FUND

A letter from the Fiscal Assistant Secretary of the Treasury, transmitting, pursuant to law, the eighteenth annual report on the financial condition and results of the operations of the Highway Trust Fund dated June 30, 1973 (with an accompanying report). Referred to the Committe on Finance.

REPORT OF OVERSEAS PRIVATE INVESTMENT CORPORATION

A letter from the President, Overseas Private Investment Company, transmitting, pursuant to law, a report on "Possibilities of Transferring OPIC Programs to the Private Sector" (with an accompanying report). Referred to the Committee on Foreign Relations.

PROPOSED LEGISLATION BY DEPARTMENT OF STATE

A letter from the Acting Assistant Secretary for Congressional Relations, Department of State, transmitting a draft of proposed legislation to authorize appropriations for fiscal year 1975 for carrying out the Board for International Broadcasting Act of 1973 (with an accompanying paper). Referred to the Committee on Foreign Relations.

INTERNATIONAL AGREEMENTS

A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, certain international agreements other than treaties (with accompanying papers). Referred to the Committee on Foreign Relations.

REPORT OF COMPTROLLER GENERAL

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Examination of the Financial Statements of the Panama Canal Company and Canal Zone Government for fiscal year 1973", dated March 6, 1974 (with an accompanying report). Referred to the Committee on Government Operations.

PROPOSED CREDIT FOR THE UNION OIL CO. OF CALIFORNIA

A letter from the Under Secretary of the Interior, reporting, pursuant to law, on a proposed credit for the Union Company of California (with accompanying papers). Referred to the Committee on Interior and Insular Affairs.

RECOMMENDATION OF COMMISSION ON REVISION OF THE FEDERAL COURT APPELLATE SYSTEM RELATING TO THE NINTH CIRCUIT DIVISION

A letter from the Circuit Judge, Ninth Judicial District, relating to the recommendation of the Commission on Revision of the Federal Court Appellate System that the Ninth Circuit be divided into two new circuits (with accompanying papers). Referred to the Committee on the Judiciary.

PROPOSED LEGISLATION FROM THE ATTORNEY GENERAL

A letter from the Attorney General, transmitting a draft of proposed legislation to amend the Comprehensive Drug Abuse Prevention and Control Act of 1970 (with an accompanying paper). Referred to the Committee on the Judiciary.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

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

A joint resolution of the Legislature of the State of California. Referred to the Committee on Interior and Insular Affairs:

ASSEMBLY JOINT RESOLUTION NO. 68—RELATIVE TO FUEL RATIONING

LEGISLATIVE COUNSEL'S DIGEST

"AJR 68. Quimby. Fuel rationing.

"Memorializes the President, Congress, and the Federal Energy Office to provide, in any gasoline rationing program which may be instituted, special consideration for physically handicapped persons who are unable to utilize public transportation.

"Whereas, The State of California and the nation are presently experiencing a serious shortage of gasoline and other petroleum fuels; and

"Whereas, There is serious consideration being given to the possibility of rationing of gasoline, with the result that people would be required to increasingly utilize public transportation, rather than private means of transportation; and

"Whereas, Public transportation is not a feasible alternative to most physically handicapped persons because of inability to accommodate crutches, braces, or wheelchairs; and

"Whereas, Without special consideration, rationing of fuel will work a special hardship on the thousands of physically handicapped persons in this state and across this nation who will find themselves unable to maintain gainful employment, with the result that many will be forced to seek public assistance; now, therefore, be it

"Resolved by the Assembly and Senate of the State of California, jointly, That the Legislature of the State of California respectfully memoralizes the President, the Congress of the United States, and the Federal Energy Office to provide special consideration for physically handicapped persons who are unable to use public transportation in any program of rationing gasoline which may be put into effect because of the present fuel shortage; and be it further

"Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States.

A resolution adopted by the Oakland County Parks and Recreation Commission, Pontiac, Mich., praying for the resumption of funding for the Land and Water Conservation Fund Act of 1965. Referred to the Committee on Interior and Insular Affairs.

A resolution adopted by the Western Reserve Society Sons of the American Revolution, Cleveland, Ohio, praying for the rescission of legislation relating to the establishment of national holidays and restoration to their original designations. Referred to the Committee on the Judiciary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BURDICK, from the Committee on the Judiciary, without amendment:

H.R. 6119. An act for the relief of Arturo Robles (Rept. No. 93-728).

REPORT ENTITLED "INVESTIGATION OF THE POSTAL SERVICE"—REPORT OF A COMMITTEE—(S. REPT. 93-727)

Mr. McGEE, from the Committee on Post Office and Civil Service, submitted a report entitled "Investigation of the Postal Service," pursuant to Senate Resolution 61, 93d Congress, 1st session, which was ordered to be printed.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. SYMINGTON, from the Committee on Armed Services:

Martin R. Hoffman, of Virginia, to be General Counsel of the Department of Defense.

(The above nomination was reported with the recommendation that the nomination be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. TOWER, from the Committee on Armed Services:

M. David Lowe, of Texas, to be an Assistant Secretary of the Army.

(The above nomination was reported with the recommendation that the nomination be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. SPARKMAN, from the Committee on Banking, Housing and Urban Affairs:

Allan Stephen Ryan, of New York, to be assayer of the U.S. Assay Office at New York.

(The above nomination was reported with the recommendation that the nomination be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. LONG, from the Committee on Finance:

Jack Franklin Bennett, of Connecticut, to be Under Secretary of the Treasury.

(The above nomination was reported with the recommendation that the nomination be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

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

By Mr. WILLIAMS (for himself, Mr. CRANSTON, and Mr. BROCK):

S. 3126. A bill to amend the Securities and Exchange Act of 1934 to authorize the Securities and Exchange Commission to prohibit brokers or dealers from trading listed securities otherwise than on national securities exchanges in the event the Commission determines that such trading is contrary to the public interest and the protection of investors. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. RIBICOFF:

S. 3127. A bill to amend title XVIII of the Social Security Act to provide optometric and medical vision care. Referred to the Committee on Finance.

By Mr. EAGLETON:

S. 3128. A bill to amend title XIX of the Social Security Act to require that, effective July 1, 1975, payment, under State plans approved under such title, for home health services shall be made on a reasonable cost related basis. Referred to the Committee on Finance.

By Mr. SCHWEIKER:

S. 3129. A bill to amend title 37, United States Code, to include a foster child as a dependent of a member of the uniformed services for certain purposes. Referred to the Committee on Armed Services.

By Mr. RIBICOFF:

S. 3130. A bill entitled "Shepaug River Act." Referred to the Committee on Interior and Insular Affairs.

By Mr. ROTH:

S. 3131. A bill to increase the maximum tax credit allowable for a contribution to candidates for public office, and to repeal the tax deduction allowable for such contributions. Referred to the Committee on Finance.

By Mr SPARKMAN (for himself and Mr. TOWER) (by request):

S. 3132. A bill to provide for the chartering of Federal stock savings and loan associations, to regulate unitary saving and loan holding companies, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. WILLIAMS (for himself, Mr. CRANSTON, and Mr. BROCK):

S. 3126. A bill to amend the Securities and Exchange Act of 1934 to authorize the Securities and Exchange Commission to prohibit brokers or dealers from trading listed securities otherwise than on national securities exchanges in the event the Commission determines that such trading is contrary to the public interest and the protection of investors. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. WILLIAMS. Mr. President, on March 5, 1974, the Committee on Banking, Housing and Urban Affairs voted to report S. 2519, the National Securities Market System Act of 1974. This is a major piece of securities legislation which will go a long way toward speeding the development of a central market system and bolstering investor confidence in the markets.

During its consideration of S. 2519, the committee discussed amending the bill to give the SEC residual power to prohibit trading in listed securities otherwise than on national securities exchanges, if the Commission found that third market trading in an environment of fully competitive commission rates was having an adverse impact on the fairness and orderliness of the auction markets. However, it becomes apparent to the committee that the questions raised by a grant of such power required further exploration before a final decision could be made.

In order to facilitate that exploration and to give all interested persons an opportunity to comment on whether any power to prohibit third market trading should be vested in the SEC and, if so, by what means, Senators BROCK and CRANSTON, and I are today introducing a bill to give the SEC "fail-safe" power over third market trading in very limited circumstances. The Securities Subcommittee has scheduled hearings on this measure for March 27 and 28, 1974.

No issue related to the development of a national market system has evoked more controversy than the proper role of the over-the-counter market for listed securities—the third market—in a national market system. The debate until recently has largely focused on a proposal by the New York Stock Exchange to require all transactions in listed securities to be effected on national securities exchanges. The effect of such a requirement would be to eliminate the third market with no assurance that firms operating in that market would be able to continue to perform their valuable functions on an exchange.

Within the past several months, a number of persons appear to have come to the view that responsible regulation counsels an approach which gives the SEC adequate powers to deal with any crisis that may result from continued trading in the third market after fixed commission rates have been eliminated. This bill is designed to accomplish this objective, while assuring no anticompetitive impact on present third market firms.

Fundamental changes are occurring in the securities markets as a result of altered economic conditions, regulatory and self-regulatory initiatives, and reform legislation such as S. 2519. The changes appear to be in the right direction and, although there may still be some difficult days ahead, the evidence generally points to the emergence of a healthy and more vigorous securities industry. Nevertheless, no one can operate in this area with perfect knowledge. The uncertainties which necessarily accompany the move to competitive rates make a strong case that the Commission should be given clear, but limited, authority to deal with such crises as the NYSE has predicated—just in case they do, in fact, occur.

The bill we are introducing would vest in the SEC the power—as a "fail-safe" device—to confine trading in listed securities to stock exchanges, if and only if the Commission makes specified findings after notice and opportunity for hearing. The findings that must precede any action by the SEC are crucial and, accordingly, they have been drawn so as to insure that first, there is a crisis such as NYSE has predicted, and second, the firms doing business in the third market are able to transfer their operations to an exchange without anticompetitive consequences.

Specifically, before the Commission could promulgate a rule to prohibit brokers and dealers from effecting transactions in listed securities away from an exchange, it would have to find out that first, the fairness and orderliness of the exchange markets in securities or the self-regulatory capability of the exchanges had been or is likely to be affected in a manner inimical to the public interest; and second, no rule of any exchange impaired the ability of any dealer—that is, any third market firm—to conduct his business in customary fashion—other than giving priority to public customers—or otherwise unreasonably restricted competition between him and other persons acting as market makers—that is, any exchange specialist.

Under the provisions of this bill, the Commission could make these findings only after a hearing at which all interested persons had an opportunity to comment. Moreover, any rule promulgated by the Commission on the basis of these findings would be subject to direct review in a court of appeals and could not be affirmed unless the findings were found by the court to be supported by substantial evidence.

The concerns that have been expressed by the NYSE and others relate to injuries to the auction markets which may occur

during the period after the elimination of fixed commission rates and before the establishment of a national market system. Accordingly, the bill limits the SEC's powers to this period, unless the SEC finds the extension of any rule it had promulgated to be necessary in the public interest and notified the Congress 90 days before extending it.

In a practical sense the bill accomplishes two objectives: First, it insures that if there are crises in the securities markets as a result of continued trading in the third market, the SEC will be able to deal expeditiously with them. Second, it provides a powerful incentive for the exchanges, and particularly the NYSE, to eliminate anticompetitive rules and unnecessary restrictions on free and open competition among specialists and other market makers.

The securities industry is undergoing fundamental reform. This bill provides a measure of insurance that events do not move so quickly that the strength of our capital markets is impaired.

Mr. President, I now ask unanimous consent that the full text of this legislation be printed in the RECORD.

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

S. 3126

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 15 of the Securities Exchange Act of 1934 (15 U.S.C. 780) is amended by adding at the end thereof the following new subsection:

"(e)(1) The Commission shall by rule prohibit brokers and dealers from effecting transactions in securities registered pursuant to section 12(b) of this title otherwise than on a national securities exchange, if it finds, after notice and opportunity for hearing, that (A) no rule of any national securities exchange unreasonably impairs the ability of any dealer to solicit or effect transactions in such securities for his own account or unreasonably restricts competition among dealers in such securities or between dealers which are specialists in such securities and dealers which are not specialists in such securities and (B) as a result of transactions in such securities otherwise than on a national securities exchange the fairness or orderliness of the markets for such securities on such exchanges or the ability of such exchanges to carry out their responsibilities under this title, has been or is likely to be affected in a manner contrary to the public interest and the protection of investors. The Commission may conditionally or unconditionally exempt any security or transaction or any class of securities or transactions from any such prohibition if the Commission deems such exemption consistent with the public interest and the protection of investors.

"(2) For the purposes of subsection (1) the ability of any dealer to effect transactions in securities for his own account shall not be deemed to be unreasonably impaired by any rule of an exchange fairly and reasonably prescribing the sequence in which orders brought to the exchange must be executed or which has been adopted in accordance with rules promulgated by the Commission under this title.

"(3) Any rule promulgated pursuant to subsection (1) shall not become effective until the rules of national securities exchanges fixing rates of commission have been eliminated and shall not remain in effect after the Commission has determined that a national market system for securities has been established or April 30, 1978, whichever is earlier: *Provided, however,* That the Commission may extend the effectiveness of such a rule if it finds that such extension is necessary or appropriate in the public interest or for the protection of investors and reports its reasons for so finding to the Congress not less than ninety days before any such extension begins."

By Mr. RIBICOFF:

S. 3127. A bill to amend title XVIII of the Social Security Act to provide optometric and medical vision care. Referred to the Committee on Finance.

MEDICARE COVERAGE FOR OPTOMETRIC SERVICES

Mr. RIBICOFF. Mr. President, I am introducing legislation to provide part B medicare payment for basic vision care services which millions of older Americans need but cannot afford.

Problems with vision affect 95 percent of those persons over 65 years of age. And of this group, 75 percent suffer from one to more chronic conditions. In fact, some 42 percent of the group cannot even read newsprint. Studies and surveys have also indicated that 85 percent of all serious injuries to persons 65 years and over are caused by falls—and in over one-quarter of these incidents, uncorrected poor vision has been the direct cause of the fall. By preventing these accidents before they occur we can save money both for the patient and the medicare program.

To those in later stages of life, vision is an essential key. In addition to direct physical problems, uncorrected faulty vision contributes to complications affecting every phase of life for the elderly. These are intangibles, perhaps impossible to measure. Companionship, mental well-being, sense of personal worth, contact with the world—these are all affected by the State of one's vision.

Despite the teeming population in this country and a wealth of technological advantages. Growing old in America may spell isolation, along with injury, illness, and poverty. These factors can especially affect the health of the aging. Health care facilities may become virtually inaccessible to them, based on reduced finances, lack of transportation, and maldistribution of some health care practitioners.

For the older American poor vision can mean not only physical isolation, but psychological loneliness as well. As vision worsens, people become unsure of their own ability to travel even a few blocks or from room to room. The aging woman who can no longer crochet or embroider for her grandchildren begins to lose her sense of self-worth. Letters, magazines, and books become next to impossible to read and even the entertainment once provided by television becomes a pleasure of the past.

Periodic optometric and medical visual examinations would provide the means to combat the erosion of vision for 22 million older Americans, including 300,000 Connecticut senior citizens. These examinations will help to alleviate the problem of falling for the elderly, and thus prevent serious injuries. Corrected vision would contribute to mutual stability by assuring continued contact between older Americans and the rest of the world.

Even more important than these intangible benefits is the fact that periodic optometric and medical examinations will help reveal ocular diseases and severe visual disorders and impairments.

While medicare does provide for payment and coverage to our senior citizens for those conditions of the eye requiring surgical procedures and related treatment, present law specifically excludes other types of optometric and medical vision services relating to the diagnosis and treatment of conditions of the visual system. As in any illness, early diagnosis can mean significant savings in treatment cost and in the prevention of human misery.

The legislation I am introducing would provide for regular optometric and medical vision services for the elderly. Included in the services would be examinations to diagnose and treat conditions of the vision system, as well as early detection of diseases such as glaucoma, hypertensive retinopathy, diabetes, and cataracts which can be medically or surgically treated by trained experts in opthalmology. In many cases, the optometrist is in the first line of defense to spot eye problems. He can diagnose diseases and disorders and make sure that the patient is referred for full opthalmological treatment.

Everything possible must be done to encourage older Americans to have high quality periodic eye examinations. This bill will make that goal financially possible for millions of senior citizens.

By Mr. EAGLETON:

S. 3128. A bill to amend title XIX of the Social Security Act to require that, effective July 1, 1975, payment, under State plans approved under such title, for home health services shall be made on a reasonable cost-related basis. Referred to the Committee on Finance.

Mr. EAGLETON. Mr. President, I am today introducing legislation to require that payment for home health services under State medicaid plans be made on a reasonable cost-related basis.

Under the medicare program, reimbursement for home health services is made on the basis of the lesser of reasonable costs or customary charges.

However, under the various State medicaid programs the States are free to determine the basis for their payments to home health agencies subject only to the condition that those payments not be in excess of reasonable charges.

While some States do make medicaid payments for home health services on the same reasonable cost basis recognized by medicare, other States have reimbursement rates much lower than, and often completely unrelated to, the cost of providing the service.

In testimony last year before the Subcommittee on Health of the Elderly of the Special Committee on Aging, Dr. Charles C. Edwards, Assistant Secretary for Health of the Department of Health, Education, and Welfare, identified inadequate reimbursement as one of the factors that has kept home health care from becoming a viable alternative to institutional care for medicaid recipients:

Low rates of reimbursement in some States also discourage the wider provision of hom-

health care services. Medicare pays either cost or charges, whichever is less. But under some State Title XIX programs, the negotiated rate with the home health agency may be less than half the actual cost of providing the service.

My own State of Missouri is a case in point.

There are at the present time 30 home health agencies in Missouri certified under the medicare program. A recent survey by the Missouri Association of Home Health Agencies indicates an average "per visit" charge by these agencies of $16.22. Yet Missouri's medicaid program pays only $8 for a visit by a registered nurse or $6 for a visit by a licensed practical nurse—less than half of the average cost of providing those services.

The result is that only 18 home health agencies in Missouri participate in the medicaid program and those that do are forced to limit the number of medicaid patients they can accept.

Mr. President, there is virtually unanimous agreement today that home health services are an essential component of a comprehensive health care system and that the availability of these services is a prerequisite to the appropriate use of other health resources such as hospitals and nursing homes.

If home health agencies, most of which are operated by local government units or nonprofit groups, are to become and remain a viable health resource, it is imperative that they be reimbursed for the cost of the services they provide.

Mr. President, I ask unanimous consent that the text of the bill I am introducing be printed in the RECORD.

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

S. 3128

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1902(a)(13) of the Social Security Act is amended—

(1) by striking out "and" at the end of clause (D) thereof,

(2) by inserting "and" after the semicolon at the end of clause (E) thereof, and

(3) by adding after clause (E) thereof the following new clause:

"(F) effective July 1, 1975, for payment of home health services provided under the plan on a reasonable cost related basis, as determined in accordance with methods and standards which shall be developed by the State on the basis of cost-finding methods approved and verified by the Secretary;".

By Mr. SCHWEIKER:

S. 3129. A bill to amend title 37, United States Code, to include a foster child as a dependent of a member of the uniformed services for certain purposes. Referred to the Committee on Armed Services.

Mr. SCHWEIKER. Mr. President, today, I am introducing a bill designed to correct an inequity in the definition of dependent for members of the armed services. As defined in title 37 of the United States Code, a dependent, for the purposes of travel expenses and medical and dental expenses, does not include a foster child or a grandchild legally dependent on the military member for over one-half of his support.

This inequity was originally brought to my attention by a constituent who, as the result of a court order, is the sole support and legal guardian of his grandson. Unfortunately, because of the law's deficiency, his grandson does not have the full privileges accorded other military dependents. As an example, every time this sergeant is transferred, he must, out of his own pocket, pay for the travel and moving expenses of his grandson. This is not an isolated case.

During the 92d Congress, I introduced similar legislation. The bill I introduce today is somewhat different, in that it incorporates recommendations provided me by the Department of Defense. Briefly, my bill would broaden the definition of dependent to include foster children, that is, children who, for all practical purposes, are dependent on the member for food, shelter, and care, but who are not legally constituted dependents under title 37. A foster child would be defined as "one who is, or was at the time of the member's or former member's death, in fact dependent on him for over one-half of his support, and residing in his household in a parent-child relationship, except a child who was placed in his household by a social service agency upon application of the member or former member, but without an agreement to adopt."

I would hope that the Senate will act favorably on this important matter.

Mr. President, I ask unanimous consent that the letter I received from the Department of Defense and my bill be printed at this point in the RECORD.

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

ASSISTANT SECRETARY OF DEFENSE,
Washington, D.C., January 23, 1974.

Hon. RICHARD S. SCHWEIKER,
U.S. Senate,
Washington, D.C.

DEAR SENATOR SCHWEIKER: This is in reply to your letter of January 4, 1974 to Mr. Brehm requesting Department of Defense comments on S. 2906 introduced by you during the 92nd Congress.

It is regretted that a report on S. 2906 was not provided to the Senate Armed Services Committee prior to the adjournment of the 92nd Congress. Investigation of this matter indicates the report was inadvertently overlooked, probably because reports on similar bills were being coordinated at the time a report on S. 2906 was requested. Please accept our apology.

The Department of Defense agrees in principle with S. 2906. It is indeed laudable in recognizing the group of children to which the bill pertains. However, in commenting on similar bills, the Department has recommended that the definition of dependents be broadened to include foster children, that is, those children who, for all practical purposes, are dependent on the member for food, shelter and care, but who are not legally constituted dependents under title 37, United States Code. A foster child would be defined as "one who is, or was at the time of the member's or former member's death, in fact dependent on him for over one-half of his support, and residing in his household in a parent-child relationship, except a child who was placed in his household by a social service agency upon application of the member or former member, but without an agreement to adopt." Obviously, the "unmarried legitimate child (including a stepchild or an adopted child) of his child (including a stepchild or adopted child)" as referred to in S. 2906 could fall within this definition.

I trust the foregoing satisfies the intent of your query. Your interest in the welfare of military personnel and those dependent on them for support is most gratifying.

Sincerely,

LEO E. BENADE,
Lieutenant General, U.S. Army, Deputy Assistant Secretary of Defense.

S. 3129

A bill to amend title 37, United States Code, to include a foster child as a dependent of a member of the uniformed services for certain purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 401 of title 37, United States Code, is amended by—

(1) inserting "(a)" immediately before "In" at the beginning of such section;

(2) striking out in clause (2) "or an adopted child" and inserting in lieu thereof "an adopted child, or a foster child"; and

(3) adding a new subsection as follows:

"(b) As used in clause (2) of subsection (a), the term 'foster child' means a child who otherwise meets the definition prescribed in clause (2) and resides in the household of the member in a parent-child relationship, but does not include a child who was placed in the household of the member by a social service agency at the request of the member without an agreement by the member to adopt the child."

SEC. 2. Section 551 of title 37, United States Code, is amended by—

(1) striking out "or adopted child" in paragraph (1)(B) and inserting in lieu thereof a comma and the following: "an adopted child, or a foster child"; and

(2) adding at the end thereof a new paragraph as follows:

"(4) 'foster child' means a child who is dependent on the member for over one-half of his support and resides in the household of the member in a parent-child relationship, but does not include a child who was placed in the household of the member by a social service agency at the request of the member without an agreement by the member to adopt the child."

By Mr. RIBICOFF:

S. 3130. A bill entitled "Shepaug River Act." Referred to the Committee on Interior and Insular Affairs.

PRESERVE THE SHEPAUG RIVER

Mr. RIBICOFF. Mr. President, although Connecticut is in the heart of the populous Northeast it still has many great natural resources. There is, however, a serious possibility that without proper protection these resources will be overrun by rampant development.

Since coming to the Senate I have worked to preserve many of these areas—the lower Connecticut River Valley, the upper Housatonic River Valley, the Long Island Sound shoreline. Today I introduce legislation to save another endangered resource—the Shepaug River.

This small but extremely beautiful river flows south from Cornwall and Goshen through the quiet communities of Warren, Litchfield, Washington, and Roxbury until it merges with the Housatonic River at Bridgewater.

Connecticut and the rest of the Nation will be the poorer if we allow one more priceless natural resource to be squandered.

Much of this river remains close to its original state. There is, however, deep and legitimate concern among residents

of the area that the river's days of beauty and tranquility are numbered.

I am therefore, introducing today legislation to add the Shepaug River to the National Wild and Scenic River System.

Under the Wild and Scenic Rivers Act, the river itself is protected by a prohibition against the construction of power dams and other encroachments. The land alongside the river is protected in three possible ways: First, complete public ownership; second, partial public ownership through acquisition of scenic or other easements, or third, local zoning ordinances.

When the legislation was passed in 1968, eight rivers were designated for immediate inclusion in the system and others were chosen for further study for possible future designation. This bill would add the Shepaug River to those now being studied.

If approved by Congress, the Department of the Interior will then make a survey of the river to determine whether it should be designated for permanent inclusion in the wild and scenic rivers system.

Because of the strong citizen support for adding the Shepaug to the wild and scenic river system and the growing threats to the river, I am hopeful that the Congress will act quickly on this important legislation.

I ask unanimous consent that the text of the bill be printed at this point in the RECORD.

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

S. 3130

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 Shepaug River Act of 1974.

Section 5(a) of the Wild and Scenic Rivers Act is amended by adding at the end thereof the following:

"(28) Shepaug, Connecticut.—The entire Shepaug River."

By Mr. ROTH:

S. 3131. A bill to increase the maximum tax credit allowable for a contribution to candidates for public office, and to repeal the tax deduction allowable for such contributions. Referred to the Committee on Finance.

Mr. ROTH. Mr. President, nationwide public opinion polls conducted in recent weeks have discovered that less than one-fourth of the American people have confidence in the ability of Congress to deal effectively with national problems. Clearly, much of this lack of confidence can be attributed to the public's concern about the manner in which campaigns for public office in this country are financed and conducted. Without question, Watergate and much of the related problems can be closely associated with the way campaign financing has been handled.

In the past, public concern about possible corruption in the electoral process has led to the enactment of several reform measures including the Pendleton Act in 1883, the Tillman Act in 1907, a disclosure act in 1910, the Federal Corrupt Practices Act in 1925, and the Hatch Act in 1940.

It was not until 1971 that Congress sought to encourage taxpayers to contribute small amounts to the candidate or party of their choice when through the 1971 Revenue Act Congress allowed each taxpayer to designate a portion of his or her tax dollars to be used for campaign financing.

One year later, just prior to the Presidential election, the Federal Election Campaign Act was passed to require disclosure of all contributions in excess of $100 and of expenditures by all candidates or political committees spending more than $1,000.

Last summer the Senate recognized the need for further reform. The Federal Election Campaign Act of 1973, which I supported, was passed by the Senate and is now in the House. This legislation both limits expenditures by candidates and committees as well as contributions. In addition, it establishes the Federal Election Commission to oversee the enforcement of the act's requirements.

Unfortunately, problems associated with unlawful or abusive political campaign conduct are not of recent origin. Over a number of years, during both Republican and Democratic administrations, several Senate committees have attempted to resolve the problems of campaign abuse through legislation.

Despite past legislative efforts, much more must be done in this area before we can completely restore public confidence in our democratic processes. Congress must take the leadership by acting promptly to bring about meaningful and substantive reforms. To do so we must increase the number of small contributions, eliminate excessively large contributions, limit out-of-State contributions, reduce the costs of campaigns, and shorten campaigns.

To accomplish these first two objectives, I am today introducing legislation to allow a tax credit of 50 percent up to $150 for a single return or $300 on a joint return. In other words, if one contributes $100 he will be eligible for a $50 tax credit. My bill will also repeal the tax deduction which is presently available to taxpayers. The present tax deduction is of benefit primarily to wealthy taxpayers who itemize their returns. In effect, it operates on a sliding scale according to a taxpayer's net income bracket. As the income bracket rises, less of a contribution is made by the taxpayer and more is borne by the Government. Thus, the higher a contributor's income, the more a given deduction will save him in taxes.

I believe the tax credit provides a more equitable means for each taxpayer to participate in the financing of election campaigns. Since it is an allowance from a taxpayer's final tax liability, every taxpayer, regardless of income, will derive the same benefit for the same amount of contribution.

The proposal for a tax credit for political contributions is not new and has in fact enjoyed bipartisan support from Senators with such differing philosophies as the late Senator Robert Kennedy and former Senator John Williams. The concept was even endorsed by the President's Commission on Campaign Costs in 1962. Most proponents agree that the tax credit approach would permit candidates and committees at all levels to receive aid, allow each citizen to determine the recipient of his contribution, and encourage citizens to contribute to candidates in primary, as well as general, elections. By this system then, any legally qualified candidate would have access to funds.

This approach is a voluntary one and should result in a marked increase in the number of small contributions. This plus the dollar checkoff should provide adequate funds for congressional and Presidential candidates. Unlike public financing, the tax credit allows the taxpayer to aid the candidate of his choice. One of the potential evils of public financing is that the political party with the most influence over the appropriations process may be able to tilt the allocation of public money in its own favor. Under such a system uncertainty and distrust will again confront many citizens and our political system will become subject to additional criticism.

Mr. President, it has been estimated that public financing would cost $200 million in a Presidential election year, while the Treasury Department says my tax credit approach will cost only $152 million. Through a combination of my proposal and the present dollar checkoff, it is my estimate that over $200 million will be available for the financing of all Federal elections in 1976.

The dollar checkoff is already working well. A combination of these two tax incentives will make public financing, and its attendant appropriations, unnecessary. This year alone, over $2 million has been collected from 14 percent of those filing returns and if this trend continues, nearly $50 million will be available for use in the 1976 campaign from this source alone. It does not take a seer to be able to forecast with some degree of accuracy that this amount plus that resulting from my tax credit approach will provide sufficient financing for future political campaigns.

To bring about the other campaign reform objectives I have mentioned here today I plan to introduce additional bills within a very short time.

I will, for example, offer an amendment to the Communications Act of 1934 to direct the Federal Communications Commission to develop regulations to require television licenses to grant free air time to candidates for public office. This will help equalize campaign resources. A second bill I will offer will authorize the Federal Government to pay the costs associated with three mass mailings for each candidate for either the Senate or the House of Representatives. These mailings will be distributed after Labor Day and an incumbent will be prohibited from distributing "campaign" mail to his constituents after July 1 of a year in which he is a candidate.

A third bill I will offer limits the amount of funds which any congressional candidate could receive from sources outside of his or her State. My bill provides that no more than 25 percent of a candidate's total expenditures may be derived from sources outside of the candidate's home State. This proposal is designed to reduce the influence that large out-of-

State contributions may have on an elected official. It seeks to insure that each official will represent the views of those individuals who are residents of his home State and not remain influenced by large organizations or wealthy individuals seeking to influence the election of candidates throughout the country.

Certainly, no single law will eliminate the possibility that some illegal behavior may occur in the financing and conduct of future political campaigns because, as you all know, you cannot legislate morality. But I am convinced that if Congress approves each of the proposals which I have offered, many of the abuses which have occurred in the past may be prevented from recurring in the future.

By increasing the tax credit to $150 for each taxpayer, an incentive will be provided for millions of taxpayers to contribute, voluntarily, to the candidate of their choice. By providing free television time and free mailing privileges to Congressional candidates, much of the campaign expenses for House and Senate candidates will be eliminated. Finally, by limiting a candidate's nonresident expenditures to 25 percent of the total amount spent on his campaign, the public will be assured that they, and not some foreign source, are providing the financial backing for their representative in Congress.

The Senate has already passed constructive legislation to shorten campaigns for Federal office and to limit campaign expenditures and contributions. By shortening the campaign period, I hope we can reduce campaign costs. Accordingly, I actively supported S. 343, sponsored by Senator BYRD of West Virginia, which limits the campaign to approximately 2 months by requiring national party conventions to be held during the third week of August. Some of my recommendations have been under consideration for several years. The time has come for each of these measures to become law, Only through such complete, comprehensive legislation can genuine political campaign reform be achieved. This is one important way we can begin to restore public confidence in our electoral governmental processes.

By Mr. SPARKMAN (for himself and Mr. TOWER) (by request):

S. 3132. A bill to provide for the chartering of Federal stock savings and loan associations, to regulate unitary saving and loan holding companies, and for other purposes. Referred to the Committee on Banking, Housing, and Urban Affairs.

Mr. SPARKMAN. Mr. President, I introduce, for myself and the senior Senator from Texas (Mr. TOWER) (by request), a bill to provide for the chartering of Federal stock savings and loan associations, to regulate unitary savings and loan holding companies, and for other purposes.

This bill is one that has been recommended to us by the Home Loan Bank Board. It contains proposals that have been the subject of discussion for some time now that would permit Federal chartered mutual savings and loan associations to convert to stock-type associations. These proposals must be given very careful consideration by our committee. Senator TOWER and I are introducing the bill so that it can be given a proper forum before our committee and the Senate.

I ask unanimous consent that an analysis of the bill be printed in the RECORD following my remarks.

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

ANALYSIS: FEDERAL STOCK SAVINGS AND LOAN ASSOCIATION ACT OF 1974

The purpose of this bill is to authorize the Federal Home Loan Bank Board to charter stock Federal savings and loan associations having the same powers as the mutual Federal savings and loan association which the Board is now authorized to charter and to provide the Board and the Federal Savings and Loan Insurance Corporation with the regulatory authority necessary to assure the safety of insured savings and loan institutions and their accountholders in connection with stock transactions and mergers and holding company acquisitions involving such institutions.

Allowing the creation of stock Federal savings and loan associations will, in appropriate circumstances, further the home financing goals of the Board and the Federal savings and loan system since the infusion of funds from the sale of stock will allow associations to increase their deposit base and attract new funds for home lending. In addition, so long as changes from one form of ownership to another can occur in a proper and safe manner under Board supervision, accountholders and the management of Federal associations should have the freedom to choose under which form they will operate. Further, the more explicit ownership of stock institutions, may serve to improve the accountability of management, and, through stock ownership, managements will have an increased incentive toward efficient operations.

FEDERAL STOCK SAVINGS AND LOAN ASSOCIATION CHARTERS AND CONVERSION

Section 2 of the bill empowers the Federal Home Loan Bank Board to charter Federal stock thrift associations having the same powers as mutual associations chartered by the Board. Institutions of either type may be denominated as "Federal Savings and Loan Associations" or "Federal Savings Associations." The bill also would authorize state chartered mutual institutions and credit unions to convert to a federal thrift association mutual or stock charter. Subsection (a) of section 2 amends the definition of the term "association" as used in the Home Owners' Loan Act of 1933 so that it includes any association chartered by the Federal Home Loan Bank Board under section 5 of the Act regardless of the name given to a particular association. The same amendment also adds a definition of terms such as "institution" or "savings and loan association" organized under state laws which terms are used in various parts of the Act without being defined. Subsection (a) also adds the terms "Federal mutual association," "Federal stock association," "State mutual institution," and "State stock institution" which are used in section 5(i) of the Act as amended by subsection (f) of the bill. Section 5(i) relates to conversions from the mutual to stock form of organization and from federal to state or state to federal charter.

Subsection (b) section 2 amends section 5(a) of the Home Owners' Loan Act which provides the Board's basic authority to charter and regulate federal thrift associations. The term "mutual" thrift institution in the same clause is deleted since the Board is empowered by this bill to charter both stock and mutual institutions.

Subsection (c) amends section 402 of the National Housing Act to redesignate the Federal Savings and Loan Insurance Corporation as the Federal Savings Insurance Corporation. In addition the amendment authorizes the Corporation to issue rules and regulations necessary to the task of insuring accounts in accordance with the Act.

Subsection (d) amends section 403(e) of the National Housing Act by adding Federal Savings Association accounts to the accounts which are eligible for insurance under the title.

Section 5(b)(2) of the Home Owners' Loan Act authorizes federal thrift associations to issue securities "except capital stock". Subsection (e) changes this provision to authorize federal thrift associations to issue capital stock.

Subsection (f) amends section 5(i) of the Home Owners' Loan Act. The first paragraph of section 5(i) as it now reads governs the conversion of state chartered mutual or stock savings and loan associations to federal mutual associations. The second paragraph of the existing subsection governs conversions of federal mutual associations to state mutual savings and loan associations. The third paragraph authorizes federal mutual associations to convert to state mutual or stock savings and loans or to other types of state institutions. The authorization of federal stock charters requires a complete revision of section 5(i). Subsection (f) would replace its present three paragraphs with seven, the longest of which deals with conversions of existing mutual institutions to the stock form. Paragraph (1) of the revised subsection is essentially the same as the existing first paragraph and would authorize state mutual to federal mutual and state stock to federal stock conversions. It would also authorize a mutual credit union desiring to expand its powers to convert to a federal mutual association.

Paragraph (2) similarly would govern conversions involving no change in capital structure, that is, federal mutual to state mutual and federal stock to state stock conversions. Paragraph (2) sets forth specific requirements to be met for such a conversion to take place with minimum Board supervision. A proviso relating to the FSLIC appearing in the existing second paragraph is made unnecessary by the amendments to the National Housing Act made in the bill. Obsolete provisions in the existing second paragraph are also deleted. The reference in subparagraph (C) of the new paragraph (2) to "full and accurate description of the plan of conversion" is intended to indicate that the disclosure standards of the federal securities law must be followed when giving information to association members. Paragraph (3) makes clear that an association may also convert upon an equitable basis and subject to the approval of the Board. The account holders of a federal association might wish to vote to convert on this basis in order to avail themselves of the protection which Board review entails.

Paragraph (4) governs conversions involving a federal association and a change in capital structure. That is, it governs federal mutual to federal stock, federal mutual to state stock, and state mutual to federal stock conversions. A conversion plan under this paragraph must be approved by the Board and comply with applicable state law. Subsection B of paragraph 5(i)(4) authorizes the Board to issue rules and regulations concerning generally all the areas which are more fully specified in the rest of 5(i)(4). The conversion plan must provide for an offering of capital stock of the converting association to each account holder member on the basis of the proportion of his account to all accounts in the converting association before any public offering of stock is made except that in the case of a merger or holding company acquisition, an equivalent amount of securities of the surviving institution or of the holding company may be

distributed. The price of the stock offered to such account holders must be related to the value of the association taking into consideration the increase in capital that will result from the conversion. After this initial offering, the public and others may be allowed to purchase additional shares. After the conversion, shareholders and account holders if required by state law, will have voting rights but account holder members, whether or not they purchased stock, will continue to have a right to a portion of the net worth of the converted association upon liquidation. This added protection will be provided by reserving a depositors' liquidation account which will be gradually phased out. The Board may provide for the reduction of such liquidation account in accordance with changes in the type, capacity and amount of the accounts of accountholders. The plan may involve provisions for management contracts, stock options and other methods of ensuring stability and continuity of management.

Paragraph (5) of the new section 5(i) governs all other conversions involving federal associations, namely federal stock to state or federal mutual and state stock to state or federal mutual. Each of these involves the possible, but unlikely, conversion from stock to mutual form of organization.

Paragraph (6) is included to make absolutely clear the Board's regulatory authority in connection with the paragraph and to restrict for at least three years the Board's authority to charter federal stock associations to states in which state stock associations exist.

Paragraph (7) relates to judicial review of final Board action on a conversion and provides that prior to final Board action no legal action of any nature respecting the plan of conversion may be brought against the Board or any Federal Home Loan Bank. This bar applies to state as well as federal law and, in effect, gives the Board temporary exclusive jurisdiction over any and all problems relating to a conversion in a manner analogous to the jurisdiction of the National Labor Relations Board. (See 29 U.S.C. § 160(a).) The subparagraph also provides a consent to sue the Board on matters relating to conversion for state chartered associations to the same extent as for federal associations. Within thirty days after notice of final Board action, an aggrieved party may seek review in the appropriate United States Court of Appeals.

The first paragraph of subsection (g) section 2 amends section 403(b) of the National Housing Act to provide that FSLIC may count capital stock as reserves. The second paragraph of subsection (g) adds a new subsection (e) to section 403 of the National Housing Act. The new subsection governs state mutual to state stock conversions. Provisions is made for these conversions basically by incorporating by reference to the relevant provisions of new section 5(i) of the Home Owners' Loan Act of 1933 which would be added by subsection (f) of this bill. The provisions for judicial review of the final action of the Corporation on these conversions are the same as those provided in new section 5(i) of the Home Owners' Loan Act.

Subsection (h) of this section amends section 12 of the Securities Exchange Act of 1934 to vest in the Federal Home Loan Bank Board the authority over thrift institution securities that the Federal Reserve Board, the Comptroller of the Currency, and the Federal Deposit Insurance Corporation have over bank securities under that subsection. At the time this authority was placed in the federal bank regulatory agencies, very few savings and loan associations were covered by the Securities Exchange Act. However, there have been an increasing number of such institutions in recent years and the number will increase as a result of this bill authorizing the Federal Home Loan Bank Board to issue stock federal charters to thrift institutions. This amendment to the securities law is necessary to assure that the Board has adequate authority to regulate proxies and insider trading of stock of thrift institutions and will be especially useful in the Board's regulation of conversions of existing institutions. Subsection (i) makes a related amendment to clarify the authority of the Board (through the FSLIC) to regulate the solicitation of proxies in mutual institutions.

Subsection (j) of section (2) would authorize the Corporation to withhold its approval of an application for conversion if the total number of approvals nationally or in a particular region would then exceed a reasonably marketable number of stock issues in that time frame. Also the Corporation could refrain from exercising any of its responsibilities under the conversion provisions if it found that the type or extent of conversions were not in the public interest.

REGULATION OF UNITARY SAVINGS AND LOAN HOLDING COMPANIES

Section 3 of the bill would amend section 408 of the National Housing Act. Section 408 of the National Housing Act contains the restrictions applicable to companies which are or become savings and loan holding companies. The section differentiates between companies controlling only one savings and loan institution (unitary holding companies) and companies controlling more than one institution (multiple holding companies). Restrictions on permissible activities apply only to multiple savings and loan holding companies.

Section 3 would amend section 408 by eliminating the difference between a multiple and unitary savings and loan holding company by deleting the definition of a multiple savings and loan holding company and all references to a multiple savings and loan holding company. The restrictions of section 408 would thereby apply to all savings and loan holding companies, whether multiple or unitary.

Section 408(c) presently provides that no savings and loan holding company or subsidiary thereof which is not an insured institution shall commence or continue for more than six months (or for more than five years after the enactment of the amendment which enacted section 408(c)(2) after becoming a savings and loan holding company, any activity except those specifically allowed under paragraph (c)(2). Paragraph (c)(2) limits the activities which a savings and loan holding company may perform to management services for an insured institution, operation of an insurance or escrow business, liquidating assets, managing property of an insured institution, acting as a trustee, or an activity which is a proper incident to the operation of a savings and loan business. The reference to "five years after the enactment of the amendment" has been deleted because it is now obsolete. In the future, every company which becomes a savings and loan holding company must divest itself of all activities except those specifically allowed in the statute within six months unless the corporation, upon a showing of good cause, grants an extension of time which in no case may exceed three years.

A new paragraph (3), similar to the grandfather clause added to the Bank Holding Company Act (12 U.S.C. §1841 et. seq.) by the Bank Holding Company Act Amendments of 1970 (P.L. 91-607; December 31, 1970), would be added to section 408(c). The provisions of this new section 408(c)(3) would apply in two situations: 1) to companies which were unitary holding companies on January 31, 1974 and 2) to companies which become unitary holding companies between January 31, 1974 and the date of enactment of the amendment. Under the existing statute companies which become unitary holding companies after January 31, 1974 may commence or continue any activity, without the approval of the Federal Savings and Loan Insurance Corporation (Corporation) as they are not subject to the paragraph (c)(2) limitations. However, when the amendment is enacted those holding companies would automatically become subject to the paragraph (c)(2) limitations and have, under paragraph (c)(3), ten years from the date of enactment to divest all unapproved activities.

For the companies which were already unitary holding companies on January 31, 1974, the grandfather provisions of paragraph (c)(3) would allow the continuation of their nonconforming activities indefinitely unless the Corporation, after opportunity for a hearing, terminates the authority to engage in such activities, having determined that such action is necessary to prevent undue concentration of resources, decreased or unfair competition, conflicts of interest, or unsafe or unsound practices.

Section 408(c) presently authorizes the Corporation to approve and prescribe regulations on activities which are a "proper incident" to the operations of insured institutions. The amendment would add some statutory guidelines for the Corporation's determination of what constitutes a "proper incident." The guidelines, substantially identical to those in the Bank Holding Company Act, include consideration of whether there will be benefits to the public such as greater convenience, increased competition or gains in efficiency which will outweigh possible adverse effects, such as undue concentration of resources, decreased or unfair competition, conflicts of interest, or unsafe or unsound practices.

Under existing subparagraph (B) of section 408(e)(1), no company, not a savings and loan holding company, may acquire control of one or more insured institutions without the approval of the Corporation, except in two minor instances not here relevant. Subparagraph (B) requires the Corporation to approve an acquisition under that subparagraph unless it finds the financial and managerial resources and future prospects of the company and the institution involved to be such that the acquisition would be detrimental to the institution or create an insurance risk to the Corporation. The proposed amendment would delete this requirement.

Instead all acquisitions requiring approval by the Corporation under section 408(e) would be processed in accordance with section 408(e)(2) as amended. The acquisitions requiring approval under 408(e) are the acquisition by a savings and loan holding company 1) of control of an insured institution or a savings and loan holding company, or 2) the acquisition through the process of merger, consolidation, or purchase of assets of another insured or uninsured institution or holding company or 3) the acquisition by any company, not a savings and loan holding company, of one or more insured institutions, as described above. Section 408(e)(2), presently and as amended, would require the Corporation in every case to take into consideration the financial and managerial resources and future prospects of the company and institution involved, and the convenience and needs of the community to be served.

The final change made by section 3 would conform the last sentence of section 408(e)(2) as amended, to preserve its meaning in the present section 408(e)(2). Thus, the sentence would continue to require that the Corporation request from the Attorney General a report on the anti-competitive effects in cases of acquisition of a second or third insured institution or of more than one insured institution. As at present, in any circumstance where the Corporation deemed it appropriate, it could request a report from the Attorney General of the anti-competitive effects of an acquisition of a single institution.

The other amendment to section 403(e)(1)(A)(iii) would authorize savings and

loan holding companies to deposit funds in savings accounts havings voting rights in savings and loan associations. The statute presently prohibits a savings and loan holding company from acquiring any voting shares in an insured institution. Thus, it is not clear that depositing funds in such savings accounts would not violate the provision. The section was intended to prevent a stock investment which could lead to control of an insured institution, and not to prevent savings and loan holding companies from having savings accounts in savings and loan associations. The amendment to the section would allow savings and loan holding companies to deposit funds in savings accounts in savings and loan associations without regard to whether the savings accounts have voting rights. In view of the substantial limitations on voting rights of savings account holders (50 maximum per account holder in a Federal association), and, the large amounts which would have to be deposited in order to gain control of those state chartered associations not having similar voting limitations, this provision is not necessary to accomplish the statutory purpose.

MERGER AND ANTITRUST PROVISIONS

Section 4 of the proposed bill would add a new section 412 to Title IV of the National Housing Act. New section 412 would clarify the authority of the Board regarding mergers, consolidations, and similar transactions involving insured institutions and would provide procedures for the exercise of that authority which would be comparable to those applicable in the field of commercial banks.

The proposed section 412 is modeled very closely upon the Bank Merger Act, as amended (12 U.S.C. § 1828(c)(1)). Under the section, insured savings and loan associations would have available to them all the protections available to banking institutions under the Bank Merger Act, and at the same time, comparable standards and procedures, particularly in the antitrust area, would be established for all financial institutions.

It will be noted that new section 412 does not contain provisions comparable to 12 U.S.C. § 1828(c)(9) relating to inclusion of a description of each merger transaction in the responsible agency's annual report. Comparable provisions would duplicate in large measure the existing annual report requirement specified in the second to last sentence of section 17(b) of the Federal Home Loan Bank Act under which the Board now describes merger transactions in its annual report to the Congress.

HOLDING COMPANY ACQUISITIONS

Section 5 would amend section 408 of the National Housing Act to conform the antitrust provisions relating to holding company acquisitions to the provisions that would apply to mergers under section 412 (which would be added by section 4 of this Act). Analagous provisions were added in 1966 to the Bank Holding Company Act of 1956 (12 U.S.C. § 1849(b)(f)). This section provides for the same delay and opportunity to bring an antitrust action before consummation of an approved acquisition as section 412 provides before consummation of a merger transaction. Subparagraph (A) of paragraph (5) (like paragraph (1) of subsection (f) of section 412) would provide for a stay of effectiveness and de novo review in antitrust actions brought in United States District Courts. The stay and scope of review provisions would not apply to petitions of review filed under subsection (k) of section 408.

ADDITIONAL COSPONSORS OF BILLS

S. 2710

At the request of Mr. HARTKE, the Senator from Iowa (Mr. CLARK), was added as a cosponsor of S. 2710, a bill to amend title 38, United States Code, to increase the rates of disability compensation for disabled veterans, and for other purposes.

S. 2784

At the request of Mr. HARTKE, the Senator from New Hampshire, (Mr. MCINTYRE), was added as a cosponsor of S. 2784, a bill to amend title 38, United States Code, to increase the vocational rehabilitation subsistence allowance, education assistance allowances, and the special training allowances paid to eligible veterans and persons under chapters 31, 34, and 35 of such title; to improve and expand the veteran-student services program; to establish a veterans education loan program for veterans eligible for benefits under chapter 34 of such title; to promote the employment of veterans and the wives and widows of certain veterans by improving and expanding the provisions governing the operation of the Veterans' Employment Service and by providing for an action plan for the employment of disabled and Vietnam era veterans; to make improvements in the educational assistance program; to recodify and expand veterans' reemployment rights; to make improvements in the administration of educational benefits; and for other purposes.

S. 2854

At the request of Mr. CRANSTON, the Senator from New Mexico (Mr. DOMENICI) and the Senator from New Hampshire (Mr. MCINTYRE) were added as cosponsors of S. 2854, a bill to amend the Public Health Service Act to expand the authority of the National Institute of Arthritis, Metabolism, and Digestive Diseases in order to advance a national attack on arthritis.

S. 2871

At the request of Mr. MCGOVERN, the Senator from Rhode Island (Mr. PASTORE) was added as a cosponsor of S. 2871, to amend the Food Stamp Act of 1964, as amended, and for other purposes.

S. 2877

At the request of Mr. TOWER, the Senator from North Dakota (Mr. BURDICK), the Senator from Maryland (Mr. MATHIAS), and the Senator from South Dakota (Mr. MCGOVERN) were added as cosponsors of S. 2877, the Meeting House Preservation Act.

S. 3024

At the request of Mr. RIBICOFF, the Senator from California (Mr. TUNNEY) was added as a cosponsor of S. 3024, the Energy Crisis Unemployment Benefits Act of 1974.

S. 3072

At the request of Mr. HARTKE, the Senator from New Hampshire (Mr. MCINTYRE) was added as a cosponsor of S. 3072, a bill to amend title 38, United States Code, to liberalize the provisions relating to payment of dependency and indemnity compensation, and for other purposes.

S. 3077

Mr. GURNEY. Mr. President, I ask unanimous consent to add my very distinguished colleague and good friend, the senior Senator from South Carolina (Mr. THURMOND) as cosponsor to S. 3077, a bill to increase the maximum amount of the grant payable for specially adapted housing for disabled veterans and to S. 3078, a bill to increase the maximum limitations on loans made or guaranteed under title 38, United States Code, for the purchase of homes and for other purposes.

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

SENATE RESOLUTION 296—SUBMISSION OF A RESOLUTION AUTHORIZING THE PRINTING OF ADDITIONAL COPIES OF THE COMMITTEE PRINT ENTITLED "THE FEDERAL MINE SAFETY AND HEALTH AMENDMENTS OF 1973 (S. 2117)"

(Referred to the Committee on Rules and Administration.)

Mr. WILLIAMS submitted the following resolution:

SENATE RESOLUTION 296

Resolved, That there be printed for the use of the Committee on Labor and Public Welfare three thousand additional copies of its committee print of the current Congress entitled "The Federal Mine Safety and Health Amendments of 1973 (S. 2117)."

ADDITIONAL COSPONSORS OF A CONCURRENT RESOLUTION

SENATE CONCURRENT RESOLUTION 66

At the request of Mr. PERCY, the Senator from North Carolina (Mr. HELMS) and the Senator from Wisconsin (Mr. NELSON) were added as cosponsors of Senate Concurrent Resolution 66, to urge the release from prison of Simas Kudirka, the Lithuanian seaman.

SOCIAL SECURITY DISABILITY BENEFITS—AMENDMENT

AMENDMENT NO. 1004

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

STIMULATE THE ECONOMY AND LESSEN THE IMPACT OF A RECESSION

Mr. KENNEDY. Mr. President, I submit an amendment to increase the personal tax exemption in the Federal income tax from its present level of $750 to a new level of $850. The amendment is essentially identical to the proposal I offered last January on the Senate floor, which was accepted by a strong 53–27 majority of the Senate, before it was recommitted as part of the overall bill to the Finance Committee.

I plan to offer the amendment to H.R. 13025, the social security disability benefits bill which passed the House of Representatives last Tuesday and which has today been ordered reported to the full Senate by the Senate Finance Committee. As passed by the House, the bill consists of a noncontroversial provision requested by HEW to enable the agency to continue to make so-called presumptive social security disability payments, pending further clarification of the eligibility of certain beneficiaries.

According to HEW, it is necessary for the bill to be enacted by March 31, in order to avoid disruption of current disability payments. Now that the bill has been ordered reported to the full Senate, I hope that it will be called up soon for

debate, so that, well before the March 31 deadline for the bill, Congress will have the opportunity to consider the need for a tax cut, when it can do the most good for the economy.

The purpose of this amendment is to give the national economy the immediate tax stimulus that is needed to keep the currently worsening economic downturn from materializing into the recession that economists have almost unanimously predicted for 1974. Indeed, in the view of many experts, we are already in a recession—the second Nixon recession and America's sixth recession since the end of World War II.

The need for a tax cut stimulus is especially urgent now, in the wake of yesterday's veto by the President of the Energy Bill. The soaring cost of fuel is now taking money out of the economy and out of the pockets of consumers at the astonishing rate of $20 billion additional dollars a year.

These increased prices are equivalent in economic terms to a $20 billion Federal tax increase, because they are draining money from the pockets of consumers that would otherwise be spent on other products. In fact, in many respects, the increased prices are worse than a Federal tax increase, because a large part of the funds are being siphoned out of American pockets and into the treasuries of foreign governments. If this new and alarming "oil tax" is not offset by prompt measures to redress the balance in consumer purchasing power, the current recession situation will inevitably grow worse.

President Nixon's adamant opposition to the fuel price rollback in the energy bill may mean shorter lines at the gasoline station, but it almost certainly means longer lines at the unemployment office for millions of working men and women, whose jobs are now in danger unless Congress acts to bolster our sagging economy.

Even if the Arab oil embargo ends tomorrow, the problem is no better, since the astronomic cost of fuel will still be taking its $20 billion toll on the consumer budget. Even if the toll is cut in half by some unforseeable price reduction, the consequences will still be onerous. It may be weeks or months before consumers begin to tighten their belts in earnest, but when they do, it will be too late for any preventive economic medicine of the sort we can take today by a modest tax cut.

A prompt tax cut is the most effective way to give the economy the immediate stimulus that is needed. In principle, the President agrees that a stimulus may be necessary, because he has pledged to "bust the budget" to prevent a recession in 1974.

But the only step he contemplates is increased Government spending. To be sure, we need increased spending for programs like public service employment and extended unemployment compensation benefits, but these are steps to deal with the consequences of a recession, not to prevent it from taking place. In virtually every case, the leadtime required for increased spending is too long. Only a tax cut can do the job at once.

It is rare that tax relief is also sound fiscal policy for the economy. And it is also rare that Congress itself can take the sort of positive action capable of keeping the economy on an even keel, without the need for elaborate bureaucratic machinery or implementation by the executive branch. But we have such an opportunity today, and we cannot afford to miss it.

By raising the personal exemption from $750 to $850, Congress can provide a $3.5 billion shot in the arm to the economy. By making it effective through the withholding tables, we can make the stimulus felt immediately in the regular weekly payroll checks.

Once before, in the early 1960's, Congress used a tax cut to pull the economy out of an economic tailspin, by stimulating growth and eliminating the effects of a recession and a long period of stagnation. Thanks to that wise action, we got the country moving again, and the Nation enjoyed the longest sustained period of real economic growth and prosperity without inflation in our history.

That is the sort of foresight and economic leadership we need today. Instead, the administration is ignoring the early warning signals of recession, to the serious detriment of every aspect of the economy and every citizen.

No one can miss those signals. Annual real growth in GNP dropped precipitously from well over 3 percent in the third quarter of 1973 to barely 1 percent in the fourth quarter, an indication that recession may already be upon us, and that growth will be zero or negative in the early quarters of 1974. And 2 days ago, we learned that the widely respected Wharton Econometric Model of the Economy, prepared at the University of Pennsylvania, is predicting negative growth of 3 percent for the first half of 1974, a clear and ominous sign that America is now in a real recession.

And to the extent there was any growth at all in the final quarter of 1973, it was caused largely by businesses still producing goods, even though sales were dropping sharply. Does anyone seriously believe that business will go on producing goods while sales keep falling? Even this relatively minor aspect of growth will vanish if things go on as they are today.

The figures on unemployment tell the same story. The increase from 4.6 percent in October to 5.2 percent in January is already an increase of 13 percent and experts are predicting 6 percent or higher unemployment by June, to last through the remainder of the year. How can we stand by, when hundreds of thousands of workers are being laid off and when millions more are newly worried about their jobs and about their families' future?

Why does the administration have to wait until the economy starts to bleed to death before it is willing to give the transfusion that is needed? Why do we have to wait until a recession is hard upon us, before we respond to a situation that is clearly out of hand?

In the past the administration has argued that such a proposal is too inflationary, that it will upset the budget plans. But have they not learned anything from the recession in 1970? That recession also upset their budget plans, producing a drastic budget deficit, with drastic implications for the economy and for every citizen.

Think of the consequences if we fail to act in time. We have a trillion dollar economy today, capable of reasonable growth at an annual rate of about 4 percent. That's $40 billion a year in increased output for the economy, just from normal growth. But a recession means zero growth, the loss of the vast potential of which the economy is capable if we keep it running smoothly. By failing to take a $3 billion stitch in time today, we risk the very real prospect of losses of tens of billions of dollars to the economy in the current year alone. And those losses will be felt across the board—by business as well as labor, by housewives and consumers. All will suffer, if we fail to do our job today.

Contrary to some assertions, a tax stimulus will not impede the fight against inflation. Apart from food and fuel, where inflation is serious and where a pinpointed attack is clearly needed, the central economic problem of the Nation is slack capacity for production. This is the major factor causing the current drift into recession, and it is likely to grow worse as the recession deepens.

Fiscal policy is not an effective tool against today's inflation, but at least it can be used to soften the burden of recession. Granted, we have to fight inflation, but we don't have to compound the problem by putting the economy through the wringer.

In addition, the tax cut amendment will help offset the impact of today's continuing inflation for millions of American families hard hit by rising prices. The cost of living has risen by 13 percent since the personal exemption was increased to $750 in 1971. By raising the exemption to $850, an increase of 13 percent. Congress can set the exemption precisely at the level it should now have, if the inflation of the past 2 years had been taken into account.

I recognize that questions will arise as to the best approach to provide the tax stimulus that is needed. Perhaps the relief can be keyed to provide more assistance to the lowest income groups and those on fixed income, who are hardest hit by rising prices and rising unemployment. Perhaps the relief can be "finely tuned" to provide tax incentives for the particular domestic industries where the impact of the energy crisis and the recession will be greatest. Perhaps we should give priority to easing the bite of social security taxes. Perhaps we should try to devise a formula to decrease the amount of overwithholding under the income tax, which has risen to immense levels in recent years.

But these alternatives are likely to be controversial, because, apart from their fiscal impact, each involves a measure of tax reform. The virtue of using the personal exemption is that it is widely accepted today and widely understood in our tax laws. I believe it offers us the best available avenue for giving urgently needed across-the-board relief to taxpayers in all income classes.

Congress will have ample opportunity later in the sessions to deal with tax reform, and to consider the proper balance

between tax credits and tax deductions and other measures as they relate to the overall tax equity of the revenue laws.

Indeed, the prospect is good that the pending energy tax measure now nearing final action in the House Ways and Means Committee can become the framework for a debate on comprehensive tax reform in the Senate. But that prospect should not divert us from taking the emergency action needed now to stimulate the economy.

Moreover, as the accompanying table indicates, the personal tax exemption is not in fact a seriously regressive feature of the tax code. The vast majority of the relief from the proposed amendment will go to low- and middle-income groups, with fully 80 percent of the tax relief concentrated among persons with incomes of $20,000 a year or less. In effect, the revenue distribution of increasing the exemption is not very different from the effect of a tax credit—a consequence of the fact that because of the large loopholes in the law, few taxpayers today pay taxes at a rate much over 30 percent, even though the statutory rate goes as high as 70 percent.

The theory of the present personal tax exemption is that no person and no family should feel the bite of Federal income tax until their income is high enough to meet the basic cost of living. In the early years of the income tax, the level of the exemption was set high enough to meet this goal, but in the aftermath of World War II, the level fell far behind, remaining constant at $600 from 1948 until 1969. Certainly, no one can raise a child or feed a family today out of the exemption's current level of $750.

As a practical matter, the revenue loss would be too large for Congress to try to bring the exemption into line with the cost of living today. So long as the exemption remains in the tax code, however, Congress should at least endeavor to provide annual cost of living increases to keep the exemption from falling still farther behind. The proposed increase to $850 now would at least close the gap that has opened since Congress acted in 1971.

I do not believe that the addition of this amendment will substantially interfere with the final consideration of the social security disability bill. Certainly, that bill, which I strongly support, is an important measure that Congress must pass quickly to clarify the status of thousands of disabled citizens who are potential beneficiaries of social security payments.

But we also have an obligation to act responsibly to bring our disabled national economy back to health, and the pending bill offers us the chance we need.

The time for action is now. If we fail to meet our obligation, then the blame for the consequences of a severe recession will fall squarely on Congress, as well as on the administration that failed to act.

Finally, there is an important additional anti-inflation factor that justifies an increase in the personal exemption at this time. It is well known that 1974 will be a crucial year in the fight against inflation, because of the major collective-bargaining negotiations scheduled for this year. To millions of working men and women in every section of the country, these negotiations offer an opportunity—in fact a necessity, for substantial wage increases, to offset the soaring cost of living since their wage contracts were last negotiated.

As a result, however, the Nation faces a real dilemma. If workers get the increased wages they deserve, then the increased costs for business will be passed along in the form of higher prices. In that event, the Nation will be in for a new round of serious inflation, and the upward spiral of prices will gain ominous new momentum.

By granting a tax reduction now, however, we can provide relief against the rising cost of living for working men and women, and ease the pressure for inflationary age increases in the round of collective-bargaining negotiations taking place this year.

By developing this sort of imaginative "social contract"—suggested by George Perry and favored by many other economists—we can accomplish a double goal relief against inflation in the past for those who need it most, and a brake against the pressure of excessive inflation in the future.

We cannot just sit idly by and rely on the administration's polyanna predictions of prosperity around the corner in the second half of 1974. For that to happen, things must break right for the administration in at least three major areas:

Housing starts must make a drastic comeback.

Spending on plant and equipment must continue at its present substantial level.

Detroit must be able to recover in time for the 1975 model year, with enough capacity to produce enough small cars and with customers who still want them.

Perhaps these events will happen, but wishing will not make it so. The administration admits that the economy is going through a difficult period now, but they are desperately trying to entice us into "looking across the valley" to their conjectured promised land, without any real knowledge or confidence as to how wide or deep the valley is.

If we do nothing now, if we allow ourselves to be lured yet again into following the administration's Pied Pipers of Prosperity—George Shultz, Herbert Stein, and Earl Butz—then we have only ourselves to blame. Five years of mismanaged economic policy and shattered administration credibility on the economy are enough. It is time for Congress to assert its power and to exercise its own independent judgment on economic policy.

At best, a tax cut will spare the Nation the unwanted suffering of a serious recession. At worst, it will be a useful insurance policy to guarantee that, this time, the administration's rosy predictions actually come true.

Mr. President, I ask unanimous consent to have printed in the RECORD a table showing the revenue effect of increasing the personal income tax exemption from $750 to $850.

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

REVENUE EFFECT OF INCREASING THE PERSONAL INCOME TAX EXEMPTION FROM $750 TO $850

Adjusted gross income	Number of returns with tax decrease (thousands)	Number of returns made nontaxable (thousands)	Decrease in tax liability (millions)	Distribution of tax decrease	
				Percent	Percent (cumulative)
$0 to $3,000	3,221	533	45	1.3	1.3
$3,000 to $5,000	7,746	557	184	5.2	6.5
$5,000 to $7,000	8,737	353	310	8.8	15.3
$7,000 to $10,000	12,229	130	616	17.4	32.7
$10,000 to $15,000	15,595	14	1,059	30.0	62.7
$15,000 to $20,000	7,557	4	624	17.7	80.4
$20,000 to $50,000	5,305	(1)	582	16.5	96.9
$50,000 to $100,000	449	(1)	88	2.5	99.4
$100,000 and over	102	(1)	22	.1	99.5
Total	60,940	1,592	3,531	99.5	99.5

[1] Less than 500.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the text of the amendment may be printed at this point in the RECORD.

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

AMENDMENT No. 1004

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

SEC. 2. (a) Effective with respect to taxable years beginning after December 31, 1973—

(1) section 151 of the Internal Revenue Code of 1954 (relating to allowance of personal exemptions) is amended by striking out "$750" wherever it appears, and inserting in lieu thereof "$850";

(2) section 6012(a)(1) of such Code (relating to persons required to make returns of income) is amended by striking out "$750" wherever it appears and inserting in lieu thereof "$850", by striking out "$2,050" wherever it appears and inserting in lieu thereof "$2,150", and by striking out "$2,800" wherever it appears and inserting in lieu thereof "$3,000"; and

(3) section 6013(b)(3)(A) of such Code (relating to assessment and collection in the case of certain returns of husband and wife) is amended by striking out "$750" wherever it appears and inserting in lieu thereof "$850" and by striking out "$1,500" wherever it appears and inserting in lieu thereof "$1,700".

(b) Effective with respect to wages paid on or after the 30th day after the date of enactment of this Act, the table contained in sec-

tion 3402(b) of such Code (relating to percentage method of withholding) is amended to read as follows:

"*Percentage Method Withholding Table*

"Amount of One Withholding Exemption

"*Payroll period*	
Weekly	$16.35
Biweekly	32.69
Semimonthly	35.41
Monthly	70.83
Quarterly	212.50
Semiannual	425.00
Annual	850.00
Daily or miscellaneous (per day of such period	2.25."

AMENDMENT OF NATURAL GAS ACT—AMENDMENT

AMENDMENT NO. 1005

(Ordered to be printed, and referred to the Committee on Commerce.)

STANDARDS FOR RATES AND METHODS OF RECOVERY FOR OIL AND GAS RESERVES

Mr. McGOVERN. Mr. President, I send to the desk an amendment to S. 2506, a bill to amend the Natural Gas Act.

Under the proposed bill, the Federal Power Commission's present jurisdiction would be expanded to include oil as well as natural gas and the Commission's regulatory powers would be considerably strengthened.

However, the bill in its present form would not give the Commission the authority to regulate the methods of developing or extracting oil and gas nor the rate at which they can be recovered.

Such authority is necessary in order to guard against the use of recovery techniques or rates of recovery which might increase the supply of oil over the short run but lead to a smaller percentage of reserves being extracted in the long run.

The risk is that the present high price of oil may lead some producers to damage fields by extracting as much oil as they can now on the assumption that oil prices will ultimately fall. An example of this is the recent dispute between the independents and the majors before the Texas Railroad Commission. The large oil companies argued for an increase in the legal rate of extraction; the small producers warned that such an increase would permanently damage the fields and result in less oil ultimately being recovered.

My amendment authorizes the Commission to establish standards for methods of developing and extracting onshore, offshore and Continental Shelf oil and gas reserves so that the maximum amount of reserves will be recovered at the lowest reasonable cost to the consumer. These standards would take into account historical rates and methods of recovery, geological conditions, and technological advancements. Included would be such items as maximum efficiency rate of recovery, primary, secondary, and tertiary recovery, and deep wells.

We must increase the domestic production of oil and gas as rapidly as possible. But in doing so we must not permit the greed of a few today to result in lower domestic fuel supplies tomorrow.

HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974—AMENDMENT

Mr. MONTOYA. Mr. President, yesterday, March 6, I submitted amendment No. 1003 to S. 3066, the Housing and Community Development Act of 1974. I notice in the RECORD, however, that the name of my friend and colleague from New Mexico, Mr. DOMENICI, was omitted from the list of the amendment's sponsors in my explanatory remarks. The bill clerk, however, advises me that Senator DOMENICI's name is on the amendment as it came back from the printer, and that is as it should be. Senator DOMENICI is an original sponsor, and I am distressed that his name was not included in the RECORD. Senators ABOUREZK, METCALF, and I certainly value his participation and support.

The PRESIDING OFFICER. Without objection, the name will be added.

ADDITIONAL COSPONSORS OF AMENDMENTS

AMENDMENT NO. 963

At the request of Mr. HUMPHREY, the Senator from Maine (Mr. HATHAWAY) and the Senator from Wisconsin (Mr. NELSON) were added as cosponsors of amendment No. 963 to S. 2005, a bill to provide for adequate reserves of certain agricultural commodities, and for other purposes.

AMENDMENT NO. 986

At the request of Mr. TAFT, the Senator from West Virginia (Mr. ROBERT C. BYRD), the Senator from Kansas (Mr. DOLE), and the Senator from Montana (Mr. MANSFIELD) were added as cosponsors to amendment No. 986, intended to be proposed by him to S. 2747, to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rate under the act, to expand the coverage of the act, and for other purposes.

NOTICE OF HEARINGS ON S. 2986 AND THE INTERNATIONAL ECONOMIC REPORT OF THE PRESIDENT

Mr. STEVENSON. Mr. President, on Monday, March 11, at 10 a.m. in room 5302 of the Dirksen Senate Office Building, the International Finance Subcommittee of the Banking, Housing and Urban Affairs Committee will hold hearings on S. 2986, a bill to authorize appropriations for carrying out the provisions of the International Economic Policy Act of 1972, as amended. All interested persons should contact Stanley J. Marcuss, counsel to the subcommittee at 225–8813.

HEARINGS ANNOUNCED ON MILITARY SURVEILLANCE BILL

Mr. ERVIN. Mr. President, I wish to announce that the Judiciary Subcommittee on Constitutional Rights will begin hearings Tuesday, April 9th on S. 2318, a bill to enforce the first amendment and the fourth amendment to the Constitution, and the constitutional rights of privacy, by prohibiting any civil or military officer of the United States or the militia of any State from using the Armed Forces of the United States or the militia of any State to exercise surveillance of civilians or to execute the civil laws, and for other purposes.

This bill, which represents the legislative culmination of the subcommittee's 1971 investigation of Army surveillance, is yet another bill to protect the privacy of Americans from unwarranted intrusions by their Government.

I take note here that President Nixon has recently committed himself to securing this same goal. In his February 23d report to the Nation on the subject of privacy, he stated:

> Many things are necessary to lead a full, free life . . . but none of these is more important than the most basic of all individual rights, the right of privacy. A system that fails to respect its citizens' right to privacy, fails to respect the citizens themselves.

The President, out of his concern for such rights, has appointed a blue ribbon panel, chaired by Vice President FORD, to recommend legislation to secure the privacy of Americans.

I would submit, Mr. President, that neither the Congress nor the President need wait for the panel's recommendations before taking action. S. 2318, the bill I have introduced to prohibit military surveillance of civilians, is a measure which can and should be acted upon immediately. The dangers which such activities pose to personal privacy and to the traditional separation of military and civilian realms have been made clear.

President Nixon himself has previously condemned military surveillance in plain terms. Reacting to the subcommittee's disclosures on December 17, 1970, he declared that he was "totally, completely and unequivocally" opposed to military spying. He stated that such surveillance would not be permitted in his administration.

S. 2318 proposes that restrictions be placed not only on the present administration, but on all succeeding ones. It is a proposition whose desirability is evident.

The hearing will begin at 10 a.m. in room 2228, Dirksen Senate Office Building.

Any person wishing to testify or submit materials relevant to the consideration of this bill should contact the Subcommittee on Constitutional Rights at 202–225–8191.

NOTICE OF HEARINGS ON S. 2495, THE TECHNOLOGY RESOURCES SURVEY AND APPLICATIONS ACT

Mr. MOSS. Mr. President, on March 11, the Committees on Aeronautical and Space Sciences and Commerce will open joint hearings on Senate bill 2495, the Technology Resources Survey and Applications Act. This bill was introduced by my colleague, Senator MAGNUSON, for himself, myself, and Senator TUNNEY. Senators GOLDWATER, SYMINGTON, STEVENS, and CHILES, have joined us as cosponsors.

S. 2495 aims at establishing within the executive branch of Government an improved mechanism, an improved climate, and improved funding for making projections of critical domestic problems which may be susceptible to scientific and

technological solutions in whole or in part. It is pointed at bringing into that process careful consideration of the projected availability of the necessary scientific and technological resources to apply to those problems before they become of crisis proportion.

Specifically, the technology resources survey would be prepared and maintained to provide an inventory of the Nation's scientific, engineering, and technological resources, both current and projected. It would also provide an inventory and projection of critical domestic problems which may be susceptible of resolution by the application of science and technology. Finally, it would use this information to strengthen the economy and contribute to the resolution of such critical domestic problems.

A second provision of the bill would authorize NASA and its partners to tackle selected critical domestic problems upon assignment by the President and approval by Congress.

Federal research and development efforts have increasingly become reactive and crisis oriented. Chaos and uncertainty seem to be the hallmark of significant portions of federally supported R. & D. The energy crisis underscores this problem.

S. 2495 is intended to help avoid the social and economic cost of crisis-oriented Federal funding.

To aid in evaluating the provisions of the bill, leaders in the scientific and engineering community will be asked to testify.

For the hearing next Monday, the witnesses are:

Dr. H. Guyford Stever, Director, National Science Foundation and Science Adviser to the President.

Dr. James C. Fletcher, Administrator, National Aeronautics and Space Administration.

Dr. Philip Handler, President, National Academy of Sciences.

Dr. Daniel Drucker, president, American Society of Mechanical Engineers.

Dr. Bernard Friedman, president, American Chemical Society.

ADDITIONAL STATEMENTS

BAPTISTS FOR LIFE TESTIFY ON CONSTITUTIONAL AMENDMENT

Mr. HELMS. Mr. President, as my colleagues are aware, the Subcommittee on Constitutional Amendments is currently holding hearings on the various proposals to assure that unborn children are protected in their right to life.

Unfortunately, an issue which is based on legal tradition and the simple facts of life is being obscured in some quarters by appeals to religious bigotry or perhaps I should say, antireligious bigotry.

Since religion helps people to define and understand moral issues, it is probably true that people with deep faith in God have a more precise understanding of this issue and a greater sense of urgency in seeking a remedy. At the same time, religious faith is not an absolute requirement to understanding the problem, and there are many good people with no particular faith, or perhaps no faith at all, who understand the moral issues involved. At the same time, we cannot ignore the broad legacy of the Judaeo-Christian heritage. The right to life is not a theological issue, or a doctrine of a particular sect; it is a moral issue that reaches to all men.

I am the chief sponsor of Senate Joint Resolution 130, one of the constitutional amendments proposed to restore our legal traditions in this area. As it happens, I am a lifelong Baptist. There is a broad support for a pro-life constitutional amendment among Baptists everywhere.

The Baptists do not have a central form of organization, such as many other denominations have, and there is no one who would be bold enough "to speak for the Baptists." It is against Baptist tradition and Baptist policy. But there is an organization which was set up to provide resource material for concerned Baptists, and to present pro-life arguments from a reasoned position. The response, from all over the country, I am informed, has been gratifying.

The coordinator of Baptists for Life is the Reverend Robert Holbrook, pastor of the First Baptist Church in Hallettsville, Tex. He is a native Texan, and the father of six children. He is a graduate of Baylor University, and the Southwestern Baptist Seminary. He has done post graduate work at Southwest Texas State University. In the past year since the U.S. Supreme Court's abortion decision, he has devoted an increasing amount of his energy to this special ministry on behalf of the right to life.

Bob Holbrook is among those who have been testifying today at the subcommittee hearings. In his prepared statement, with the attached letters, he clearly shows the wide extent of support for a pro-life amendment from all denominations.

Mr. President, I ask unanimous consent that the testimony of the Reverend Holbrook, with the attachments, be printed in the RECORD at the conclusion of my remarks.

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

STATEMENT OF REV. ROBERT HOLBROOK OF HALLETTSVILLE, TEX., COORDINATOR OF BAPTISTS FOR LIFE

Mr. Chairman, I appreciate the opportunity extended to me to speak before you regarding the abortion issue, which is deep personal interest and concern to millions of Americans.

That I am here, a Southern Baptist pastor and Coordinator of the organization "Baptists for Life" is testimony in itself to the rising tide of indignation surrounding the Supreme Court decision which legalized abortion until the moment of birth. As American citizens of all religious persuasions, or of no religious belief at all, learn what this decision said and what has happened to hundreds of thousands of unborn children as a result, they are becoming increasingly angry and concerned. The 25-million-plus Baptists of the nation are among those who are becoming aware of the full implications of current abortion trends and many of us have searched for a way to make our voices heard in protest. "Baptists for Life" was formed in late 1973 as a result of this need for a united voice. It is our intention to speak in defense of the right to life both within the public forum and within our denominations and congregations. We have received positive responses in large numbers from Southern Baptists, American Baptists, Independent Baptists, other denominational groupings including the National Baptist Convention Inc., from both pastors and laymen.

We feel certain that the members of this subcommittee and the whole Senate would want to act on this issue according to the facts that are presented, and that your deliberations will be guided by the merits of the arguments heard. Propaganda has no place. Statements made by persons purporting to speak for denominations as official spokesmen who have, in reality, no right to represent entire denominations have no place. Such an unofficial statement is one made recently by the *Baptist Joint Committee on Public Affairs'* Executive Director, Dr. James Wood, who attached his name to a recent letter inserted in the *Congressional Record* by U.S. Representative Dellums which criticized the Helms Amendment to the Foreign Assistance Act. Concerning that action by Dr. Wood, I append the following letter, signed by John J. Hurt, Editor of the *Baptist Standard*, the official weekly publication of the Baptist General Convention of Texas, in its entirety and wish to read into the record this portion:

"The Baptist Joint Committee, of which I am a member, did not authorize Dr. Wood to speak in its behalf on this issue. I regret that he is identified as executive director of the Committee, and thus identified with this group.

"I am sure each member of Congress is aware that groups like this try to mislead in their statements by *indicating that they are* speaking for the organization. Certainly, the statement is not binding upon any Baptist, nor could it be, for not even the Convention can speak for other than a majority attending a particular session. No one has ever doubted this."

It is my understanding that you have been in contact with the *Baptist Joint Committee on Public Affairs* quite recently, Mr. Chairman. I am sure you wish to know that they do not, and cannot, speak for the denominations they represent on the abortion question. Any statements that they might make will be representative of their personal opinions only.

In contrast, the following is an example of one statement officially adopted by the *Capital Baptist Association* located in Oklahoma City, Okla. It is typical of the sentiment of many Baptist conventions and groups:

RESOLUTION 6: ABORTION

Inasmuch as abortion has been condemned through the ages by law, medicine, and the Word of God, and

Because the Bible teaches that life begins at the time of conception, "But I was a sinner, yes, from the moment my mother conceived me."—Psalm 51:5, Living Bible, and,

Inasmuch as the Declaration of Independence and the Constitution of the United States clearly states, "All men are endowed with certain inalienable rights . . . life, liberty, and the pursuit of happiness", and, "that no state shall make or enforce any law which shall . . . deprive any person of life, liberty or property without due process of law.", and,

Whereas, murder by abortion is almost doubling in numbers annually, and

Whereas this is one step nearer to the legal murder of the aged, the ill, the handicapped, and even the imperfect, and,

Whereas the guilt of this act will result in the emotional, spiritual, mental, and physical ruin to all who participate, and

Whereas the Supreme Court of the United States in recent ruling has opened the doors wide for abortion,

Now, therefore be it resolved

1. That the Capital Baptist Association

encourage its pastors and congregations to be faithful to the Commandments of God, and the right of every individual to live, and

2. That we take every opportunity to represent ourselves to our public officials in opposition to this violation of the unborn's rights.

CAPITAL BAPTIST ASSOCIATION,
Oklahoma City, Okla., November 7, 1973.
Dr. THOMAS E. NIX, Jr.
Pasteur Building,
Oklahoma City, Okla.

DEAR DR. THOMAS: In their annual meeting on October 16, 1973, members of the Capital Baptist Association of the Southern Baptist Convention adopted a resolution on abortion and voted to send a copy to you and to our state congressmen and senators.

In accordance with that action, a copy of the resolution is attached.

Respectfully,

JEAN KLINGAMAN, *Clerk.*

The Capital Baptist Association resolution was adopted on November 7, 1973.

Another denomination, the General Association of Regular Baptist Churches (GARB) has expressed its opposition to abortion in the following resolution which was adopted by unanimous vote on June 27, 1973, at its 42nd annual Conference:

Whereas the moral standards of the world have so degenerated as to encourage many of our contemporaries to advocate the destruction of unborn and unwanted children, and

Whereas the Scriptures declare the sanctity of human life and repudiate the concept of "abortion on demand",

Be it resolved that we, the messengers of the churches of the Association of Regular Baptish Churches, gathered in annual conference at Kansas City, Missouri, on June 25–29, 1973, reprove such immorality and abortion and openly declare that murder is murder even if it be called "legalized abortion."

Other "official" statements of church groups purporting to speak for their denominations must be examined carefully before being accepted. The Church of the Brethren is listed as a member of the Religious Coalition for Abortion Rights, which testified this morning. However, the following statement, dated March 6, 1974, disclaims official sanction. I have been requested by the signers to read it into the record of this hearing. The full text is attached, and the following excerpt noted: "The Church of the Brethren's participation in the Religious Coalition for Abortion is without official sanction and is in direct conflict with stated denomination policy." The signers are W. D. Crouse, Moderator, Atlantic Northeast District of the Church of the Brethren, Mary E. Weaver, Moderator-Elect, Atlantic Northeast District of the Church of the Brethren, and C. Wayne Zunkel, Immediate Past Moderator, Atlantic Northeast District of the Church of the Brethren.

In line with the Brethren statememnt, I have received this correspondence from one of the most prestigious theologians in the Methodist Church, Albert C. Outler, Professor at the Perkins School of Theology, Southern Methodist University, Dallas, Texas. Dr. Outler has asked me to place his letter in the record in its entirety, and to state verbally this excerpt:

"It is misleading to suppose that, among the Christian groups in the United States, only the Roman Catholics, Mormons, etc., are the ones that are opposed to abortion on demand, on moral and religious grounds. As a loyal and devoted United Methodist, I can say with great emphasis that the current 'official' position of the United Methodist Church regarding abortion not only does not speak for me but that I regard the process by which this 'position' became 'official' as being non-representative and morally invalid. It has, therefore, no force or effect as a guide for my conscience or moral judgment—and this is widely and well-known. But here I speak for *many* other United Methodist as well (nobody knows how many there may be since this issue has never been fairly tested through the church as a whole.) It is, however, my impression and belief that given an honest opportunity to vote for or against a reasonable anti-abortion law (i.e., one that disallows abortion on demand but allows, *very* cautiously, for therapeutic abortion), a majority of United Methodists would vote *for* it. The case on this point is even clearer with Southern Baptists, Lutherans, the black churches, the Pentecostalists, etc. And if this guesstimate of mine is doubted, there is a perfect straightforward democratic way to test the hypothesis. Give the American people an honest and realistic referendum. Why not? Do we mistrust them and their moral judgments or are we content with the present confusion and one-sidedness of our current abortion legislation and its judicial interpretations as of now?"

Mr. Chairman, a frequently heard myth concerning prolife activity is that opposition to the Supreme Court decision is a Catholic concern, and only their concern. It is the constant refrain of a pressure group such as Americans United for the Separation of Church and State to insist that a Human Life Amendment would be forcing the official teaching of one church on all Americans. Yet, in just such a referendum as Dr. Outler proposes, the citizens of North Dakota (who are 22% Roman Catholic) rejected legalized abortion by the overwhelming majority of 78%.

Prolife spokesmen are very seldom referred to by religion if they happen to be Methodist, Lutheran, Baptist, Jewish, Mormon, etc. But if the person speaking out against the killing of unborn children is a Roman Catholic, the media will usually include this identification along with his or her name. This is a discriminatory tactic which effectively screens out the visibility of the millions of us who are *not* Catholic.

The prevalence of this "labeling" tactic and argument for a "Catholic issue" is no accident. At the annual forum of the Association for the Study of Abortion (ASA) held in New York City, March 21, 1967, several speakers adopted the slogan "Public health in proposition; Roman Catholic in opposition." What is disturbing is not the fact of such appeals to religious prejudice but the acceptance of such without critical examination on the part of the media and those who deal with the issues. We will always have those who seek to destroy the position of their opponent by such appeals to prejudice, emotion, and the baser nature of man. This allegation that the abortion controversy is one of Catholic concern should be received with the same interest that is accorded those who claim that concern for civil rights legislation is "Communist" inspired. An examination of certain evidences will expose this claim as having no foundation in fact.

THE HISTORY OF THE LAWS VOIDED BY THE SUPREME COURT DECISION

Basically, what is being called for in a Human Life Amendment is a return to the status quo before the court decision of January, 1973. If the anti-abortion laws placed on the books of the states were the product of the Roman Catholic Church then it would be valid to protest that a return to those laws would be "a Catholic issue". But if the laws in many of the states were the result of the concern of the legislators for protecting the unborn and these laws were enacted without the power of the Catholic hierarchy, how can a movement to return to the position of these laws be called "Catholic only?" I remind you that one of the test cases which resulted in the court decision was *Roe v. Wade* and it was a challenge to the Texas law on abortion. As a life-long resident of Texas and one who is aware of the religious make-up of that state I can assure you that a Texas law was not the result of Catholic influence. Protestant legislators put that law on the books. Texas, of course, is just one example we could draw on from that area of America known as the "Bible Belt" where traditionally conservative Protestantism holds sway. And what of other states not in the South? It is of interest to note that the pro-abortionists in the heavily Mormon states of the West have charged that opposition to legalize abortion is a "Mormon issue".

For the "one religious group" myth to hold, it would be necessary to demonstrate from history that the Protestant churches have generally been in disagreement with Catholic dogma respecting abortion. An examination of the fact, however, demonstrates that up until the recent years Protestant testimony has been very strongly anti-abortion. To plead that churchmen opposed abortion in the past because of concern to protect the prospective mother from dangerous medical procedures is to be ignorant of two factors; a research of the laws in the various states reveals a concern on the part of legislators for the unborn as well as the mother, and opposition to abortion by the churches goes back to the first century. In its decision in *Roe v. Wade* the court referred to Christian opposition to abortion practices of the Roman Empire and claimed that the Hippocratic Oath was influenced by the emerging Christian ethic. That abortion was the concern of early Christian communities is established by several contemporary writings. The most important is the *Didache*, or *Teaching* of the *Twelve Apostles*. This ancient and authoritative statement of Christian principles in Syria was composed no later than A.D. 100 and may well have been written much earlier. Here a list of percepts was given for the instruction of the Christian: "You shall not kill. You shall not commit adultery. You shall not corrupt boys. You shall not fornicate. You shall not steal. You shall not slay the child by abortion. You shall not kill what is generated."

Abortion was ranked as a principal sin included with those sins expressly named by the Ten Commandments. The somewhat latest Epistle of Barnabas was based on the Didache and provided a commentary by its paraphrases and additions. It put the Commandment on abortion in the Didache in this framework: "You shall love your neighbor more than your own life. You shall not slay the child by abortion. You shall not kill what is generated." The proscription was thus related to the love of neighbor. Other evidence of early Christian belief is furnished by the Christian claims addressed to the pagans. The charge was made that Christians are "homicides or devourers of men." The second century philosopher and Christian convert Athenagoras answered this charge in his apologia for Christianity to the emperor: "How can we kill a man when we are those who say that all who use abortifacients are homicides and will account to God for their abortions as for the killing of men. For the fetus in the womb is not an animal and it is God's providence that we exist." The dedicated Christian defense of life at the embryonic stage seemed to Athenagoras the surest proof of the Christian reverence for life. As the Church emerged as a legal religion and a social force in the fourth century, the sentiments on abortion so uniformly expressed in the first two centuries of Christian life took on the form of legislation. All the writers agreed that abortion was a violation of the love owed to one's neighbor. Some saw it as a special failure of material love. Many saw it also as a failure to have reverence for the work of God the Creator. The pagan culture had accepted abortion. The Christians, men of the Greco-Roman world and the Gospel condemned it. Ancient authorities and the contemporary moralists had approved, hesitated, made exceptions, but the Christian rule was certain. And it remains certain today.

When we come to the time of the Reformation we find that both Lutheran and Calvinists (Reformed) theologians opposed abortion as the taking of life begun and a sin against God's Word. It is fashionable in some pro-abortion circles to refer to present day prolife activity as an archaic hold-over from 16th-Century Catholicism; what is totally ignored is the clear evidence that it was also the position of the protestantism of that period of history.

In the disputation "De Homine", two year before his death, Martin Luther indicated the full humanity of the fetus from conception. John Calvin stated "if some woman expels the fetus from her uterus with drugs, it is considered an inexpiable crime, and rightly so." Another statement, just as strong makes clear the position of the great Genevan reformer: "The fetus carried in the mother's womb is already a man; and it is quite unnatural that a life be destroyed of one who has not yet seen its enjoyment. For, if it seems more unworthy that a man be killed in his home rather than in his field because for each man his home is his safest refuge, how much more abominable ought it to be considered to kill a fetus in the womb who has not yet been brought into the light." History clearly establishes that the position which is so often dismissed as "The Catholic Church" is actually the historic position of protestantism as well. As for Protestant thinking on abortion since Luther and Calvin one must observe that in general non-Catholic Christianity there was never in the formative generations any explicit or reasoned disavowal of anything in the Catholic view on abortion. The literature of the English reformation reveals an occasional reference to abortion. Richard Baxter, one of the better known Puritans, refers to abortion in the context of murder. John Weemse, of Scotland, commented on Exodus 21:22–23 under the title "De Infanticido, of the killing of an infant in the mother's womb." He not only appeals to Scripture, but formulates anew the touching appeal to a sense of decency:

"It is a great cruelty to kill the child in the mother's belly, to kill this innocent in his first mansion, which should have been the place of his refuge; the shelter, in which he is wrapped in his mother's belly, is called *Shiloh*, because (as the Hebrews say) the young infant should live peaceably in it, in his mother's womb, as in a place of refuge."

Weemse's treatise is evidence that the traditional Catholic position regarding abortion would find strong defenders in the Protestant branch of modern Christianity. From the evidence available in the Protestant tradition we can see that the Calvinists tended to maintain the received morality in all its force and the Lutheran moral theologians of the seventeenth century took a more rigoristic view of the matter than that espoused even by Roman Catholic moralists of the same period. A good example is Johaan Osiander in 1680. He stressed his treatise on the Fifth Commandment along traditional lines, stressing that the Old Testament protection of the life of man, as an image of God, is still valid. With regard to abortion, Osiander asks: "Whether a pregnant woman can conscientiously take a medicine of which the fetus will probably perish?" The answer is negative, on the ground that this is killing forbidden by God under the Fifth Commandment. In America the same tradition was maintained in the writings of Colonial ministers. An example is a brief reference in a treatise by Benjamin Wadsworth, where abortion is maintained as an additional mode by which some violate "Thou Shalt Not Kill." Poisoners violate the divine Command:" And so do those, who purposely endeavor to destroy the life of a child in the womb, whether the woman herself or another, does it." By the latter part of the nineteenth century civil law was not providing an effective barrier against the increasing practice of abortion. Concerned Protestants took the occasion to reiterate the traditional doctrine. Dr. John Todd, a Protestant minister in Boston, wrote in 1867 that his fellow Christians must make a more serious effort to teach the evils of abortion. For Todd, abortion is "deliberate, cold murder" and incurs the full moral guilt of murder. In 1869 both Episcopal and Presbyterian public statements were made declaring that abortion was the killing of life. In the same year in a report to the Pennsylvania medical society. Dr. Andrew Lebinger urged the Protestant churches to instruct people on three points: that the unborn is human at all stages, that it has a right to life, and that killing is murder in the Biblical sense.

Mr. Chairman, the stifling of this Protestant tradition has been a slow process and only in recent decades have the churches begun officially to approve what they had traditionally rejected. The 1930 Lambeth Conference of the Bishops of the Church of England recorded its abhorrence of the sinful practice of abortion. As recently as 1950 a Committee of the same Conference reaffirmed the traditional teaching on abortion stating, "In the strongest terms, Christians reject the practice of induced abortion, or infanticide, which involves the killing of a life already conceived." Yet by 1967 and 1968 the Episcopal Church and American Baptists, respectively, were calling for relaxation of the laws and the jettisoning of the traditional Protestant position.

I have only referred to a few sample statements and evidence to establish, without contradiction, the historical fact that is being ignored in the debate on this issue—anti-abortion conviction is Protestant as well as Catholic. Nevertheless, it is true that Protestant ministers are not conspicuously identified in the eyes of legislators, physicians, psychiatrists, and social workers with the highly articulated position on abortion commonly associated with Catholics. In seeking to ascertain the reason for the marked difference between the well-defined Protestant position of history and that espoused today by many spokesmen for those denominations I quote from an excellent article written by Professor George Williams of the Harvard University Divinity School:

"In the first place, Protestants from the outset, by returning to Scripture as sole authority in religion, tended to exclude centuries of tradition as normative, cutting themselves off from much of the aforementioned patristic texts against abortion in the Greco-Roman environment. In the second place, "In the nineteenth century the social idealism of post-revivalist Protestantism also passed by the problem of abortion of the fetus as the clergy turned successively to various groupings of more visibly disadvantaged persons—slaves, children engaged in prematurely heavy labor, immigrant laborers, and finally disenfranchised women. The involvement of the liberal Protestant clergy in the women's rights movement and the political and then the full cultural and economic disenfranchisement of women must be set down as another factor in the conspicuous present-day concern of many ministers for the complete autonomy of the mother and the protection of her from an "unwanted child." Thus taken together, both the social gospel and Protestant individualism comprise a factor in the extreme feminism which has promoted in some religiously Protestant women a self-righteous indifference about the destiny of the fetus in their overriding preoccupation with the "dignity of woman" as a sovereign individual who should not be socially enthralled by motherhood.

In the revolt of woman against sex servitude, the right of abortion is often understood as the final step in her enfranchisement, all in the conviction that no woman can call herself free until she can choose consciously whether she will or will not become a mother."

PRESENT DAY PROTESTANT INVOLVEMENT

Finally, Mr. Chairman, the "myth" of Catholic concern in abortion restriction must be exploded in the face of the overwhelming evidence of involvement by non-Catholic religious groups. I have already made reference to some Baptist pronouncements and we have here today spokesmen for others as well. Since the formation of "Baptists for Life" I have received cards, letters, telegrams, and telephone calls from Maine to California, Minnesota to Florida. Not from Board and agency spokesmen, but the men and women who make up the membership of the local churches. Before I left Texas Tuesday I received a check for $400 to help in the work of "Baptists for Life." That check came from a Baptist physician in Austin whom I have never met or spoken to—he said he was grateful to learn that a voice was being given for Baptists in the life issues and he wanted to share in it. While receiving a telegram communication some time ago from a teletype operator I was surprised when she broke the usual professional conversation to ask "Do you think you can do any good in this fight?" She then expressed her concern over the slaughter of the unborn and requested that I put her on the mailing list of "Baptists for Life."

I do not believe there can be found in America today a more zealous and committed group of Christians espousing the prolife philosophy than the millions of Baptists in the Independent churches. Because of their lack of central organization on a national level their voice is often neglected but I would hazard the opinion that the pastors of these vigorous and rapidly growing churches are "anti-abortion" to the man. Being Biblical conservatives, they have a deep conviction of the sanctity of life.

Mr. Chairman, testimony before this Committee has stated that opinions concerning abortion which are grounded in "religious" convictions should have no hearing because it would be a violation of the first amendment. But such arguments block the path to reasonable examination of the current proposals regarding a Human Life Amendment. The argument should be concerned with sound public policy; instead, proponents of abortion divert attention to the religious convictions of many in the opposition. The assumption seems to be that a public-policy position grounded in religious conviction is automatically ruled out of consideration without any hearing on its merits. Surely, the sincere convictions of Roman Catholics, Baptists, and all the others should not be tossed out of the public forum because they are theologically grounded.

The movement for the abolition of slavery (and the contemporary continuation in the fight against racial discrimination) was largely religious in inspiration owing a great deal, especially, to liberal Protestant leadership. But the conviction of those seeking racial equality was not systematically brushed aside merely because of their religious source, this position amounts to asserting that citizens who have moral convictions are entitled to invoke the law to enforce these convictions only if they are grounded in the religious ideology of secular humanism, but not if they are grounded in a theological view. This position is clearly absurd as presented yesterday by Congresswoman Bella Abzug. The U.S. Constitution forbids the establishment of any religion in order to allow for the freedom of all in this most important matter. But the Constitution does not justify a religious ideology in their claim to a prior right in the formation of public policy. May I remind this Committee that the Supreme Court has declared "Secular Humanism" a religion in *Torcaso* v. *Watkins*. Secular Humanists who demand that public policy be judged solely by utilitarian criteria are attempting to impose their particular "religion" on a pluralistic society,

many of whose members still believe in a personal God.

I urge you, gentlemen, to judge this issue on the merits of the case and once and for all let us be done with appeals to bigotry and ignorance.

Mr. Chairman, it was with some surprise that I noted in the official publication of the Church and Society Committee of the United Methodist Church, Engage/Social Action, Vol. 2 No. 2, February, 1974, that the group of organizations calling themselves the Religious Coalition for Abortion Rights has stated on page 62 (see attached) that they have selected your state, Indiana, for "particular attention . . . to stir support for Senator Bayh, Chairman of the Judiciary Committee's subcommittee on constitutional amendments, who's up for re-election."

You may possibly not be aware of this avowed support for your re-election by a proabortion group committed to a position opposing a Human Life Amendment—a group testifying at these hearings. Regardless, I am convinced from hearing you state at the hearing on March 6 that you desire information to enable you to fully understand the abortion controversy that you will make every effort to grant the American people their right to a full and complete hearing. Therefore, I am requesting that you hold another day of hearings for testimony from those prolife religious leaders denied a timeslot in today's hearings. A number of persons are waiting to testify, including United Presbyterians, Orthodox Presbyterians, Methodists, United Church of Chrfist, Greek Orthodox, American Association of Evangelicals, American Association of Christian Schools, and others. It is essential that they be heard.

RESOLUTION ON ABORTION

Whereas the moral standards of the world have so degenerated as to encourage many of our contemporaries to advocate the destruction of unborn and unwanted children, and

Wheras the Scriptures declare the sanctity of human life and repudiate the concept of "abortion on demand."

Be it resolved that we, the messengers of the churches of the General Association of Regular Baptist Churches, gathered in annual conference at Kansas City, Missouri, on June 25–29, 1973, reprove such immorality and abortion and openly declare that murder is murder even if it be called "legalized abortion."

Resolution No. 9, Passed by unanimous vote June 27, 1973; General Association of Regular Baptist Churches, 42nd Annual Conference, June 25–29, 1973, Municipal Auditorium, Kansas City, Missouri.

OKLAHOMA CITY, OKLA.

Reverend BOB HOLBROOK,
First Baptist Church,
Hallettsville, Tex.:

In November 1972 the Baptist General Convention of Oklahoma in annual session voted the following on abortion: We urge our legislator . . . to make no change in the existing laws that would not consider the God-ordained principle of the sanctity of human life, including fetal life or that would lower the moral climate of our state by leading to increased immorality." There are 580,000 Baptists in 1382 churches cooperating with this convention. Be assured of my personal support for legislation or constitutional amendments that would protect the sanctity of human life from conception to natural death. May God bless you in your efforts.

JOE L. INGRAM,
Executive director treasurer Baptist General Convention of Oklahoma.

BAPTIST STANDARD,
Dallas, Tex., December 27, 1973.

Mr. M. O. TURNER,
Alamo National Building,
San Antonio, Tex.

DEAR MR. TURNER: Your letter concerning the action by James A. Wood, along with the necessary information to explain it to our readers, is much too long for our letters page. I know that almost without exception our agency leaders do appreciate comments from our Baptist people, and I suggest you write him directly. His address is 301 Baptist Building, Dallas 75201.

The Baptist Joint Committee, of which I am a member, did not authorize Dr. Wood to speak in its behalf on this issue. I regret that he is identified as executive director of the committee, and thus identified with this group.

I am sure each member of Congress is aware that groups like this try to mislead in their statements by indicating they are speaking for the organization. Certainly, the statement is not binding upon any Baptist nor could it be, for not even the Convention can speak for other than a majority attending a particular session. No one has ever doubted this.

Sincerely,

JOHN J. HURT, *Editor.*

SOUTHERN METHODIST UNIVERSITY,
Dallas, Tex., March 1, 1974.

Rev. ROBERT HOLBROOK,
Hallettsville, Tex.

DEAR DR. HOLBROOK: I was pleased to hear that you will be able to testify next Wednesday before the Senate Committee considering federal legislation concerning abortion on demand. If it were at all possible, I'd be glad to be there with you, offering my own testimony in support of a reasonable and morally defensible law against cheap and easy abortion.

My own basic concerns with respect to this problem could be boiled down to six barebones theses that might be summarized somewhat as follows:

1. Human life is sacred and, therefore, may not be taken by other humans, with *any* moral justification, except in cases where such killing is clearly the lesser of two evils. The deliberate ending of any human life must never be regarded as a moral good, or even morally innocent. This applies to abortion, murder, war and even "manslaughter," etc.

2. The origins of human life and personhood are shrouded in mystery: no one *knows*, or *can* know, exactly when human life begins and when feticide (or even infanticide for that matter) is murder in the moral sense. But the probabilities are very great that one is dealing with a potential human life at least as soon as the fertilized ovum is stabilized in the uterus (nidification) and maybe even at conception (at the latest when pregnancy can be medically diagnosed). Thus the Supreme Court's division of pregnancy into trimesters and its conclusion that abortion in these successive trimesters is less and less innocuous strikes me as arbitrary, simplistic and morally confused. For if the probability is at all real that feticide involves a human life (or a potential human life) then it is as morally indefensible in the first trimester as in the second or third—or in the first three months of infancy (since not even neonates are fully "human," neurologically speaking, in their first three months of post-uterine life).

3. Abortion, therefore, *may*, in all probability, involve the killing of a defenseless human being. Its only conceivable justification, therefore, would have to be as the lesser of two evils—i.e., as some sort of "therapeutic abortion," defined *very, very* cautiously. Abortion cannot be justified as a means of population control or as a relief from maternal distress. It is a life-and-death issue and as between human life and human distress, life is clearly the more nearly ultimate value,

4. A woman's rights with respect to her own body and its uses *are* "absolute"—up to that point where other human rights are involved. If, therefore, a fetus is a potential person—much as an infant is—then its rights have to be weighed into any decision concerning its mother's rights (exigent as they may be).

5. The case for abortion on demand follows from the same premises as those for euthanasia: i.e., unwanted life may be disposed of by those who do not want it. Thus, legalized abortion, legalized euthanasia, etc. look away from a fully humane society in which the weak are protected from injustice by the law as well as by the moral concerns of sensitive and humane persons.

6. It is misleading to suppose that, among the Christian groups in the USA, only the Roman Catholics, Mormons, etc. are the ones that are opposed to abortion on demand, on moral and religious grounds. As a loyal and devoted United Methodist, I can say with great emphasis that the current "official" position of the United Methodist Church regarding abortion not only does not speak for me but that I regard the process by which this "position" became "official" as being non-representative and morally invalid. It has, therefore, no force or effect as a guide for my conscience or moral judgment—and this is widely and well-known. But here I speak for many other United Methodists as well (nobody knows how many there may be since this issue has never been fairly tested throughout the church as a whole). It is, however, my impression and belief that given an honest opportunity to vote for or against a reasonable anti-abortion law (i.e., one that disallows abortion on demand but allows, *very* cautiously, for therapeutic abortion) a majority of United Methodists would vote *for* it. The case on this point is even clearer with Southern Baptists, Lutherans, the black churches, the pentecostalists, etc. And if this guesstimate of mine is doubted, there is a perfect straightforward democratic way to test the hypothesis. Give the American people an honest and realistic referendum, Why not? Do we mistrust them and their moral judgments or are we content with the present confusion and one-sidedness of our current abortion legislation and its judicial interpretations as of now?

Thus for many reasons—religious, moral, psychological, sociological, etc.—I heartily support a carefully conceived legal referendum that would give the American people a choice that has thus far been denied them by current judicial and legislative processes.

There is much warranted alarm throughout the country over the ominous rise and spread of violence in our American society—and there are many voices raised against it. Yet many of those very same partisans of non-violence are also advocates of one of the most despicable modes of violence there is—violence against the helpless. What fate does a nation in such moral confusion deserve at the hands of a just God?

Very faithfully yours,

ALBERT C. OUTLER.

TABERNACLE BAPTIST CHURCH,
Lubbock, Tex., February 11, 1974.

Reverend ROBERT HOLBROOK,
First Baptist Church,
Hallettsville, Tex.

DEAR BROTHER HOLBROOK: Thank you for your telephone call last week. I have included your suggestion concerning an article in our church paper, and I will send you a copy when it is off the press. Certainly, we stand behind you 100% in this Pro-Life Movement and against abortion. You will find enclosed a number of names and ad-

dresses that I am sending you as per your request. I am also sending you, under separate cover, a copy of the directory of the World Baptist Fellowship which gives the names and addresses of churches and pastors in this group. These, of course, will all be conservative preachers, and I think that they would all be against abortion. However, I cannot tell you what kind of reaction that you will get from them as far as giving you any aid or assistance. But, perhaps you would like to mail some of them some of your copies of the publication that you mentioned to me.

If you are interested in a list of pastors and churches who might also be interested in any mail-out material you might have, you can send $2.00 to the Baptist Bible Fellowship International, Box 106, Springfield, Mo. 65802, and they will send you a copy of their directory which lists all of the names and addresses of churches and pastors. Also, you can get the church directory of the General Association of Regular Baptists which is an organization of Fundamental-minded churches by sending $1.50 for the yearbook of the General Association of Regular Baptists. Their address is 1800 Oakton Street, Des Plaines, Illinois 60018.

I do trust that your trip to Washington will prove to be successful and that the Congress of the United States will act on the Pro-Life Amendment.

Yours in Christ,

E. L. BYNUM.

NORTH GRAND RIVER
BAPTIST ASSOCIATION,
Trenton, Mo., March 2, 1974.

Reverend ROBERT HOLBROOK,
National Right to Life,
Washington, D.C.

DEAR CHRISTIAN FRIEND: I would like to express to you the fact that the large majority of members of thirty-five Southern Baptist Churches, with a total membership of 8,229, located in North Central Missouri, along with myself, are in opposition to the liberal abortion laws, which have been passed and are now effective in the United States. Not only are they wrong and anti-Christian in our country, but they are also wrong and anti-Christian anywhere else in God's World.

We appreciate the stand you have taken and the efforts that you are making to oppose them. In behalf of both myself and the North Grand River Baptist Association, I would like to encourage you to continue your efforts to awaken the conscience of America of the sinfulness in the sight of God of these evils.

Sincerely,

THOMAS D. HILL.

MARCH 6, 1974.

SUBMITTED BY THE REVEREND W. DEAN CROUSE, PHILADELPHIA FIRST CHURCH OF THE BRETHREN, PHILADELPIA, PA.

The Church of the Brethren's participation in the religious coalition for abortion is without official sanction and is in direct conflict with stated denominational policy. The Church of the Brethren's only official statement says: "Brethren oppose abortion because it destroys life. Let it be clear that the Brethren ideal upholds the sacredness of human life and that abortion should be accepted as an option *only* where all other possible alternatives will lead to greater destruction of human life and spirit." The statement goes on to say, "Our position is not a condemnation of those persons who reject this position or of women who seek and undergo abortions. Rather, it is a call for Christ-like compassion in seeking creative alternatives to abortion."

The position statement on abortion passed by the annual conference of the Church of the Brethren in 1972 advocates contraception and voluntary measures such as sterilization rather than abortion.

W. D. CROUSE,
Moderator, Atlantic Northeast District of the Church of the Brethren.

MARY E. WEAVER,
Moderator-Elect, Atlantic Northeast District of the Church of the Brethren.

C. WAYNE ZUNKEL,
Immediate Past Moderator, Atlantic Northeast District of the Church of the Brethren.

NBC WORLD PREMIERE OF "THE LITTLE HOUSE ON THE PRAIRIE"

Mr. McGOVERN. Mr. President, in 1972 it was my privilege to review for Life magazine the work of the late Laura Ingalls Wilder, whose literary contributions have meant so much to South Dakota, particularly to De Smet and the Kingsbury County area. Her works recall the trials and tribulations, along with the occasional joys of the demanding life of our pioneers. Now, I am pleased to note that the National Broadcasting Company's television network has filmed a 2-hour drama based on Mrs. Wilder's most famous work, "The Little House on the Prairie." Jerry Franken, vice president of McFadden, Strauss & Irwin, Inc., informs me the NBC special will be telecast on Saturday evening, March 30, on its World Premiere series. The film stars Michael Landon of "Bonanza" fame, who also is the director of this production.

The special program is to serve as a pilot for a continuing series based on Mrs. Wilder's works. Mr. Franken says the idea is to continually stress the need in the Nation today for values and qualities that are meaningful and can provide strength and direction in times of crisis. These values were clearly present in the lives of South Dakota's pioneers, and are clearly values which we would do well to call upon today. I urge that my colleagues and others join me in watching what promises to be a television tribute to pioneering in our American heartland.

AMENDMENT OF THE EXPORT ADMINISTRATION ACT

Mr. CHILES. Mr. President, the Finance Committee has begun hearings on the Trade Reform Act this week. On February 21 I introduced some amendments to the Export Administration Act, which authorizes export controls. I understand these amendments have elicited some comment and interest both in the executive branch and in the Congress. I ask unanimous consent to have these proposed amendments of the act, in the form of S. 3030, printed in the RECORD.

There being no objection, the text of S. 3030 was ordered to be printed in the RECORD, as follows:

S. 3030

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

SECTION 1. Section 2 of the Export Administration Act of 1969 is amended by adding at the end thereof the following new paragraphs:

"(5) It is in the national interest of the United States and advantageous to the domestic economy that the United States should be engaged in international trade negotiations to promote freer and more equitable world trading policies.

"(6) There is a continuing need to address problems of access to markets, and recent events and studies indicate that access to supplies is a growing international problem.

"(7) Economic policy actions by foreign countries affecting their exports increasingly affect internal economic conditions in the United States, making necessary the ability of the United States to use export controls to persuade other countries to modify their economic policy actions which are harmful to the United States economy.

"(8) The problem of access to supplies is made increasingly more difficult by the inadequacy of international rules and institutions to deal with world resource scarcities."

SEC. 2 Section 3 of the Export Administration Act of 1969 is amended—

(1) by redesignating paragraphs (2) through (6) as paragraphs (4) through (8), respectively;

(2) by inserting after paragraph (1) the following new paragraphs:

"(2) It is the policy of the United States to encourage the formulation and implementation of multilateral arrangements which will assure all participants of reasonable and nondiscriminatory access to supplies, including raw materials and natural resources.

"(3) It is the policy of the United States to further through international trade negotiations the evolution of international institutions and rules which promote freer and more equitable world trading practices.";

(3) by redesignating clauses (B) and (C) in paragraph (4) (as redesignated) as clauses (C) and (D), respectively; and

(4) by inserting after clause (A) of such paragraph (4) the following: "(B) to the extent necessary and with respect to the articles, materials, supplies, and information necessary or appropriate, to seek an adjustment in any economic policy or action of a foreign government which has had or may have a serious domestic inflationary impact, which has caused or may cause a serious domestic shortage, or which has had or may have a serious adverse effect on employment in the United States,".

SEC. 3. Section 4 of the Export Administration Act of 1969 is amended—

(1) by striking out "section 3 (5)" in the last sentence of subsection (b)(1) and inserting in lieu thereof "section 3 (7)";

(2) by inserting ", or the need to seek adjustments in economic policy or actions by foreign governments" in subsection (c) after "scarce materials"; and

(3) by striking out "(B) or (C) of paragraph (2)" in subsection (e) and inserting in lieu thereof "(B), (C), or (D) of paragraph (4)".

SEC. 4. Section 10 of the Export Administration Act of 1969 is amended by adding at the end thereof the following: "Each such report shall contain a description of the progress being made in any international

negotiations regarding rules and arrangements affecting access to supplies and export policies and practices of foreign governments. Such report shall also contain—

"(1) an analysis of any economic policy or action, during the quarter, of any foreign government affecting the price or availability of any article, material, or supply imported into the United States which is essential to the economy of the United States;

"(2) the effect of such policy or action on price, supply, or employment in the United States; and

"(3) any economic action proposed or contemplated by the United States Government with respect to such foreign economic action."

SEC. 5. Section 14 of the Export Administration Act of 1969 is amended by striking out "1974" and inserting in lieu thereof "1975".

Mr. CHILES. As I indicated when I introduced this legislation, the Export Administration Act which expires on June 30 authorizes the use of export controls almost entirely as an instrument of domestic economic policy. To bring export controls more clearly into the arena of foreign economic policy and to create some consistency between the Trade Reform Act and the Export Administration Act, I have substantially revised both the "findings" sections and the policy authorities of the Export Administration Act.

In my view this revamping is necessary to adequately empower our Government to deal with the new economic circumstances in which we find ourselves internationally. Specifically, there is an urgent need to have the legislative language governing the use of export controls reflect:

The need to be able to respond with export controls of our own to the use of export policies of other governments which are damaging to our domestic economy.

The need to address the problems of access to supplies as well as access to markets in international discussions and agreements.

The need to have export controls be an integral part of the international trade negotiations within the GATT, and

The need to strengthen international rules and institutions dealing with export policies.

As the law now stands the authority does not exist to deal with these problems. The legislation I have introduced fills these loopholes. I refer my colleagues with an interest in these matters to my earlier remarks in the RECORD on February 4 and February 21. The energy crisis and changed world economic conditions as well as the inflation problem we are experiencing in the United States make these issues of pressing importance.

ANNIVERSARY OF THE BIRTH OF THOMAS G. MASARYK

Mr. PERCY. Mr. President, I would like to pay tribute to the memory of Thomas G. Masaryk on the 124th anniversary of his birth. Thomas Masaryk was a statesman, a scholar, a moralist, and a successful politician. But more than all of this, he was a man who brought to fruition through his personal tenacity and integrity a life-long dream to make his country free.

Thomas Masaryk was the founder and first president of the Czechoslovak Republic, established at the end of World War I. He guided the Czechoslovak Republic in accordance with democratic principles which he had previously explored in several scholarly works. The keynote of his philosophy was that uncompromised truth is the absolute moral requirement in a democratic system. When he took office as President of the Czechoslovak Republic, he characteristically chose "Truth Prevails" as the maxim for his new nation.

In 1968 during the Dubcek era in Czechoslovakia people freely made the pilgrimage to Masaryk's grave. Masaryk remains today a symbol of inspiration to all who revere freedom and true national independence.

WHAT MAKES A GOOD POLICE OFFICER?

Mr. McCLELLAN. Mr. President, Winston S. Churchill, speaking of the gallant Royal Air Force pilots who saved the world from Nazi tyranny during the Battle of Britain, delivered a magnificent tribute:

Never in the field of human conflict was so much owed by so many to so few.

I believe that these eloquent words may be applied with equal justice to our police officers at all levels—Federal, State, and local—for they are a thin blue line standing between us and the brutal onslaught of crime and the criminal.

It is in this spirit that I wish to share with my colleagues a thoughtful speech delivered by Clarence M. Kelley, the Director of the Federal Bureau of Investigation, before an Outstanding Law Enforcement Officers Award banquet held in Birmingham, Ala., on February 9, 1974.

Speaking from personal experience as both a Federal and local policeman, Director Kelley noted that it is not always pleasant to be a police officer in our troubled society and that the physical risk of being a police officer is high. He added:

There are many groups and individuals who hate the police, who call the officer vile names. They seek to discredit and impugn our profession. If an officer makes an arrest he is accused of "brutality." If he maintains order during a demonstration he is taunted as a "bully." If he enforces the law he is charged with "harassment." He is called a "pig," and hissed and vilified as he carries out his duties.

Yet, as the FBI Director pointed out, our policemen perform their duties with skill, patience, and disregard for their own safety. And they are paying the price for guarding our lives and property. For example, during last year 134 brave officers lost their own lives as a result of criminal action—all but three of them were local, county, and State officers. This was the highest total of such slayings ever recorded, he said.

Mr. President, as a measure of tribute to the bravery and dedicated contribution made to society by our police officers, I ask unanimous consent that Mr. Kelley's remarks be printed in the RECORD.

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

WHAT MAKES A GOOD POLICE OFFICER?

(An Address by Clarence M. Kelley)

I am particularly gratified this evening for the opportunity of attending the third Annual Banquet for the Outstanding Law Enforcement Officers of the Year.

It is a pleasure to return to Birmingham. The three years I spent here as Special Agent in Charge of the FBI's office are among my happiest memories in law enforcement. Many of the police officers here tonight I met then for the first time.

I am grateful indeed for the splendid assistance which Alabama law enforcement has given the FBI over the years and also to Ralph Miles and Philip McNiff, our present Special Agents in Charge. As FBI Director, I pledge to you continued close and fraternal cooperation.

I want also to extend my sincere personal congratulations to each of the officers being honored tonight.

You are a credit to your profession and your community. Nothing could be more commendatory than to be selected for this distinguished award. For you, this is the culmination of years of dedication, sacrifice and faithfulness to duty. We are proud of you. You bring honor to all of us in law enforcement.

Also, I want to say thank you to the distinguished citizens of Alabama who have made this recognition possible. Having been a law enforcement officer for over 30 years, I know what this occasion means for these brave men and women. They appreciate your interest, concern, and support. Your banquet tonight symbolizes that spirit of warm fellowship which must exist between the officers of the law and our citizenry if a community is to obtain the high quality of protection it deserves.

I want to share with you this evening some thoughts on the theme, "What Makes A Good Officer?" "What are the qualities which make the man or woman in blue a top-flight officer?"

These are not easy questions to answer.

I remember talking to a group of officers when I was Chief in Kansas City.

I posed the question: "What do you expect of your chief? What qualifications do you think a good chief of police should have?"

Well, I really opened the gate. In a matter of minutes, I had the blackboard filled with suggestions.

There were such qualities as honesty and courtesy, administrative ability, integrity and a pleasant personality. One officer even suggested "good looking."

Their chief, they thought, should be experienced, wise, intelligent, well-trained, affable, strict in discipline but not too strict, understanding, a family man, healthy—and the list went on and on.

I remember, after jotting down all the suggestions, stepping back, looking at the group, and asking, "Now tell me, where are you going to find a person with all those qualifications?"

There was a moment of silence and no answers. Then I said: "As far as I'm concerned the only person who could possibly qualify as a chief would be the perfect man and I don't know where you can find him."

And I could have added: "And if you did find him, what community could afford to pay the salary he would command?"

This story illustrates the almost unbelievably high standards expected of law enforcement—by its own personnel and by you, the citizens of the community. We expect not only the very best in our officers, but a range and depth of attributes that no mortal could possibly possess.

All too frequently we expect of the officer what we do not require of ourselves.

He must, in our eyes, be above reproach at all times, scrupulously honest, virtually without a fault.

He must make no mistakes, and if he does we criticize him unmercifully.

We expect him to handle all situations with finesse, tact and competence, but seldom do we realize that as a community we have not provided him with the professional training needed to cope with today's sophisticated, changing society.

We expect him to risk his life to apprehend a hijacker, bank robber and murderer, yet we often fail to pay him a livable salary and we make few, if any, provisions for his family in case of death during the line of duty.

We expect him to be enthusiastic and never to complain or gripe (as all of us do), yet we refuse to take the time to acquaint ourselves with his working conditions at headquarters, the precinct station or wherever he may be.

We expect him to perform at top efficiency, for long hours, often being called out in the middle of the night or on weekends, and forget that he too is human, that he gets tired and hungry, and like us, he may have a son with whom he likes to play baseball.

We expect him to immediately accommodate our desires when we call the police, forgetting that we have not given the chief sufficient manpower and equipment to provide the kind of service we expect and deserve.

Yet these men and women in blue, despite these handicaps, perform admirably—and I think the citizens across the great state of Alabama—and the Nation—owe them a tremendous debt of gratitude.

I have worked with police officers all my life. I have been an officer myself. I know their gripes. I know their joys. I think I know the men and women themselves—as human beings. And I can tell you, honestly and truthfully, you will never meet a finer group of Americans. They work not alone for the salary—if they did they wouldn't be there. They work not for public acclaim—if so, they wouldn't be there. They work not to be heroes—if so, they would long ago have resigned.

They walk your streets, safeguard your homes, keep your traffic going . . . why?

Because they believe in the dignity of the law, in the triumph of right over might, and, above all, because they want to do their share in helping protect their communities.

Here are the qualities exemplified by these officers tonight. I do not know any of them personally. I don't need to—because I know the traditions in which they believe, the traditions of service, personal integrity and courage.

That's the kind of human beings they are.

Today it is not always pleasant to be a police officer. There are many groups and individuals who hate the police, who call the officer vile names. They seek to discredit and impugn our profession. If an officer makes an arrest he is accused of "brutality." If he maintains order during a demonstration he is taunted as a "bully." If he enforces the law he is charged with "harassment." He is called a "pig," and hissed and vilified as he carries out his duties.

It takes a man of unique qualities to do his job, honestly and faithfully, amid this barrage of unwarranted abuse and vilification. The excellent record of our officers in meeting these situations is a tribute to their training, skill, and patience.

In today's society the physical risk of being a police officer is high—and is growing.

Last year 134 brave officers lost their lives from criminal action, 131 being local, state and county officers. This is the highest total ever recorded. Three of these slayings were in Alabama.

For the officer, death lurks at every moment of the day. It may come from stopping a motorist, making an arrest, handling a domestic disturbance call.

Last year, for example, 30 officers were slain handling disturbance calls; 27 in connection with robbery matters; ten while investigating suspicious persons; seven at the hands of prisoners . . . and the list goes on.

In police work there is no sanctuary from the criminal's bullet.

Not only are there the dangers of regular police work but the officer is also the target of carefully planned sniper attacks, ambushes, and deliberate efforts to injure and kill. One antipolice group, for example, circulated a manual telling extremists how to fight the police. Make use of weapons, it said, such as ice picks, leather punches, can openers, sling shots, darts, and red pepper.

I write personal letters to the widows of police officers killed in line of duty. If anything brings a police department, or a group of officers together, it is the death of one of our own. In my letters I try my best to console the widow and family. But what can words say to take away the grief and pain?

Police families know that their husband and father is running a deadly risk every day—but they never expect that moment to come.

They know that when the officer leaves home in the morning they may never see him alive again—but they never expect that moment to arrive.

These widows sometimes write letters that wrench the heart, telling me about their situations. Brave women they are . . . living daily under the fear of death, yet when that moment of disaster comes, they too, like all of us, break down and cry.

"Law Enforcement," one widow wrote, "has been our way of life for 22 years. He (her husband) was doing a job he really loved—protecting the people and the city."

Note, if you will, the words "law enforcement has been OUR way of life"—a family commitment, not just the officer, but the wife and children too. This is what makes a good officer. That he works with the enthusiastic support of his wife and children. That's why tonight, if the wives and children of these honored officers are present, they should receive our applause of appreciation. The officer is a good officer. Why? Because there is a wife, a family, a mother, a father, or other devoted person behind him.

Note also this widow's words, "He was doing a job he really loved." For 22 years—almost a whole career—that officer was doing a job he really liked. Here is another quality of the top-flight officer. He wasn't in law enforcement because he had to be—but because he wanted to be! This means enthusiasm, personal interest, and a dedication to doing the best possible job.

And then these final words, the officer was "protecting the people and the city."

What more can I say? This widow has summed up the whole meaning of being a police officer. This man was a selfless human servant, doing his share, as one officer, in creating a better life for his fellow citizens in the community—most of whom he had never seen and did not know. And he was so faithful to his job that it cost him his life.

What more can we ask?

Unfortunately, you, the citizen, do not have the opportunity to look inside the "inner heart"—to see the humanity—of the officer on the street corner or in the patrol cruiser. We can so easily criticize him . . . but are we, in *our* jobs and *our* lives, performing a high quality of public service as he?

This is a question each of us must ask ourselves.

Another widow wrote me that she was overwhelmed by "the hands that reached out to my children and me."

These hands—this help—came after her husband had been killed.

I ask tonight, why cannot this help come earlier? Why must we allow a brave officer to die before the community learns to respect his profession, to appreciate the services he provides, to understand the vital role he plays in their lives?

This is our task—the task of every concerned citizen across this land.

This task is to become better acquainted with your police department and its officers. We need to know more about the cancer of crime in our communities. We must be more ready to personally do our share to help make a crime-free society.

That's why I am so happy to be here this evening. Not alone to honor these brave officers, but because you, as concerned citizens of Alabama, through this banquet are doing your share to show law enforcement in this state your appreciation, concern and support.

What makes a good officer?

It is those qualities of integrity, dedication and loyalty to a principle, those qualities which compel the officer to go the extra mile, to conduct the extra interview, to undertake the extra assignment to protect you. These are truly men of an "extra dimension" here tonight—they embody the highest qualities of their profession. I again salute them!

COSPONSORSHIP OF FULL DISCLOSURE ACT OF 1974

Mr. MOSS. Mr. President, it has been my pleasure to join in sponsoring S. 3037, the Full Disclosure Act of 1974, introduced by my distinguished colleague, Senator STEVENSON.

In requiring Federal elective officials and candidates for Federal offices to file a detailed statement of their assets and liabilities, the bill would impose a duty which I have consistently observed for years. Each Congress I have voluntarily published and made available to my constituents and the rest of the world a statement of my finances. I have found this to be a practice greatly appreciated by the voters of my State. I believe that if all Federal officeholders and candidates made such disclosures on a regular basis, it would go a long way toward restoring confidence in Government. The secrecy of the filing Senators must now make wholly defeats the purpose and the wisdom of disclosure.

I congratulate Senator STEVENSON for his bill, and I hope that the Senate will move with dispatch to pass it.

BLACK SALUTE TO SENATOR HUGH SCOTT

Mr. SCHWEIKER. Mr. President, on January 26, 1974, more than 1,000 persons joined together at the Washington Hilton to honor the civil rights record of Senate Republican Leader HUGH SCOTT. Proceeds from this "National Black Salute to HUGH SCOTT," will go to the new incorporated Hugh Scott Foundation, a foundation to aid black college

students from around the country who will be studying political science and government.

Senator SCOTT has been a leader for decades in fighting for civil rights and equal opportunities for all Americans, and is most deserving of this special honor.

I ask unanimous consent that two Pennsylvania newspaper accounts of the Black Salute be printed in the RECORD.

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

[From the Johnstown, (Pa.) Tribune Democrat, Jan. 28, 1974]

1,000 ATTEND FETE IN HONOR OF SCOTT

Approximately 1,000 persons attended a black salute to U.S. Sen. Hugh Scott Saturday in Washington, D.C.

The event was a $100-a-plate fund-raising dinner to set up an educational foundation in Sen. Scott's name, primarily to aid black students in the study of political science and government.

Burrell Haselrig of 610 Yoder St., who was in charge of the fete, gave the keynote address and explained that Sen. Scott was being honored for more than three decades of work in the civil rights field.

STIPULATION REMOVED

The Hugh Scott Foundation has been incorporated in Pennsylvania, according to Mr. Haselrig, and the scope of the foundation has been expanded. The foundation's original aim was to aid only black students, but that stipulation has been removed.

Mr. Haselrig, in his address, said, "We have . . . establishing a foundation for black students, but more than that, we are establishing a foundation for all students.

"It seems that prejudice is a two-way street, and therefore, the foundation, although its primary aim is to help blacks, is for all students.

"Clarence Mitchell, director of the Washington office of the National Association for the Advancement of Colored People, gave the main address and praised the change in the foundation's format to include all students.

102 IS AIM

Mr. Haselrig said that the first students receiving aid through the foundation should enter college in the fall of 1975. He said it was his hope that two students from each state and the District of Columbia would receive scholarships each year.

Mr. Haselrig said a similar event for the benefit of the foundation would be held annually.

The Rev. Robert F. Wurst of 1225 Christopher St., pastor of the St. James Evangelical Lutheran Church in Alum Bank, asked the invocation. Mid-States Associates, Inc., a local advertising and public relations firm, handled arrangements for the event.

[From the Dubois (Pa.) Courier Express, Jan. 22, 1974]

TESTIMONIAL DINNER FOR SENATOR SCOTT

An educational foundation to encourage black students to study political science will be established in the name of U.S. Senator Hugh Scott (R-Pa.)

More than 1,000 persons are expected to honor the Senate Republican Leader Saturday, January 26 in Washington, when a bipartisan committee holds its initial testimonial dinner.

The sole speaker at the event will be Clarence Mitchell, a longtime friend of Senator Scott's who for years has been the Washington representative of the National Association for the Advancement of Colored People.

According to Burrel Haselrig, a Johnstown, Pennsylvania, businessman who is heading up what has been billed as a "Black Salute to Hugh Scott," "we want to honor this man because he has been in the forefront of the civil rights movement since the days when it wasn't popular to be for civil rights."

Educational scholarships will be awarded each year. Haselrig said, "to those deserving students who need financial help." And he asked "what more fitting tribute could we give to Senator Scott than to financially help young people to get involved in the political system . . . a system he has worked for and in all his adult life."

At the $100-a-plate dinner Saturday at the Washington Hilton, Sandra Taylor, a black college student from Erie who was selected by Senator Scott as his alternate at the 1972 National Convention will present the initial check to Foundation officials.

National honorary chairman of the event is U.S. Senator Edward Brooke. The advisory committee includes: Rev. Fr. Theodore Hesburgh, president of Notre Dame University; Frank Fitzsimmons, president of the International Brotherhood of Teamsters; Mrs. Henry Hillman of Pittsburgh; former Pennsylvania Governor William W. Scranton; Joseph Rau of Washington, National Vice President of the ADA; Roy Wilkins, Executive Director of the NAACP; Vernon E. Jordan, Jr., Executive Director of the National Urban League; Rachel Robinson, President of Jackie Robinson Development Corporation; and the following Mayors: Thomas Bradley, of Los Angeles, Calif.; Robert B. Blackwell, of Highland Park, Mich.; Charles Evers, of Fayette, Miss.; and Ken Gibson, of Newark, N.J.

A WORD OF CAUTION ON U.S. FOREIGN POLICY

Mr. CRANSTON. Mr. President, throughout his travails of Watergate, the economy and the energy crisis, one thing has consistently buoyed the President: his achievements in foreign policy. And with good reason.

President Nixon's record of accomplishments in international affairs has seemed at times to be extraordinarily good. Never mind that the personal diplomacy, enterprise, and energies of Dr. Henry Kissinger played a key role in these accomplishments.

The former White House adviser, now Secretary of State, is the President's man; it is the President who sanctions and legitimizes what Dr. Kissinger does or does not do; and it is the President who deserves full credit for all the successes—as he will receive full blame for any of the failures—of Dr. Kissinger's daring initiatives. The successes have been notable:

The phenomenal Middle East settlement which—though still only in a very delicate interim stage—was a masterful demonstration of how creative diplomacy can apparently reconcile the irreconcilable.

The opening up of communications with mainland China—after 25 years of mutual distrust and hostility that have several times nearly deteriorated into armed confrontation.

The détente with the Soviet Union and the first hopeful step toward strategic arms limitation.

The movement toward a more favorable balance of trade—until the energy crisis struck us—and the return of the dollar to some degree of stability of health.

And certainly the ending of our active combat in Southeast Asia which was welcomed by all when at last it came even though, in the opinion of many, it was years late in coming, and even though it finally came only after Congress set a deadline and cut off all further funds for bombing and other forms of direct American involvement in combat in Southeast Asia.

These are significant achievements and President Nixon fully deserves the praise that has been heaped upon him for their attainment. Quite properly, that praise has come not only from his political friends and allies but also from many—myself included—who have been severely critical of the President for his handling of domestic problems. It is partly because of this that today I want to raise a note of caution.

We who praise the President for his foreign policy initiatives may unwittingly be doing him—and, more importantly, the Nation—a disservice if we praise him too soon and too effusively. And that, I fear in retrospect, may already have happened.

Things may be going well for us overseas in some important respects, but not nearly as well—and not nearly as fast—as we had been led to expect they would. There have been serious shortfalls as well as successes.

After each initial flush of success, subsequent evidence began to take on a discordant note. And perhaps we have raised our hopes—and our praises—too high and are in for some troublesome disillusion as a result. For example:

A year after our disengagement, the war in Southeast Asia continues to rage on, with still no light at the end of anybody's tunnel. By official count, there were 818,000 new refugees in South Vietnam during 1973. Hospitals there admitted 43,000 civilian casualties, and upward of 50,000 government and Communist soldiers were killed—a larger body count in a single year than all the American war deaths in Vietnam since 1965.

And though, thank God, we have stopped throwing away precious American lives in Southeast Asia, we are still throwing away precious American dollars there—around $2 billion a year on new arms, ammunition, and fuel—that is right, fuel—for the military in Indochina.

And things may get even worse. Defense Secretary James R. Schlesinger has already issued warnings that the U.S. Air Force may yet demand authority to resume the bombing in Vietnam.

After an encouraging first round of SALT, all major negotiations with the Soviet Union have stayed on dead center. There are no present signs of progress. Not only is SALT seemingly stalled, but the Soviet-sponsored Conference on European Security and the negotiation on Mutual Balanced Force Reductions—MBFR—have been going on for many months now, and neither of them is even close to reaching a conclusion.

In the meantime, the Pentagon announces a record-shattering $85.8 billion spending budget, and Secretary Schlesinger warns that we may actually be headed toward still another—and still more dangerous and expensive—round in the nuclear arms race.

Despite détente, the Soviets—which had flooded the Arab nations with the most modern, most sophisticated weaponry—did nothing to discourage the October attack on Israel, and may, in the opinion of some, even have encouraged it. Even worse, the Soviets—according to President Nixon and Secretary Kissinger—brought us to the very brink of direct, armed confrontation.

Soviet Union behavior in the Middle East, at least, makes détente almost indistinguishable from the good old fashioned Cold War. It is hard to tell the difference.

Continuing repression of minorities and dissidents within the Soviet Union, and new signs of East-West tensions in Berlin, marked by Communist harassment at check-points, are further depressing evidence that though the highly heralded détente may indeed have been a step forward, we still have a long, long way to go.

Even the administration's well-intentioned efforts at economic cooperation have gone a bit sour after a promising start. Take, for instance, the now infamous wheat deal with Russia which added to our domestic shortages, helped drive up the price of bread for American consumers, and made millions of dollars not for the farmers who grew the wheat but for speculators.

And this was followed by the disclosure by Senator CLIFFORD CASE, Republican, of New Jersey, that the United States has agreed to a secret—and probably illegal—low interest loan of $500 million to the U.S.S.R.

It is deeply disturbing to note that not only did secrecy surround our actions when we were engaged in combat with the Communists in Vietnam, accompanied by widespread doubts about the legality of many of our actions there, but now the same kind of secrecy and the same kind of questions of legality infect our actions now that we are engaged in détente with the Communists.

Even in the Middle East, where the Nixon-Kissinger performance borders on the miraculous, disquieting signs appear. That man of many threats—Defense Secretary Schlesinger—warns that the Arab oil embargo could trigger a crisis leading to a Western military takeover of the oil fields. And that man of much confident optimism—Dr. Henry Kissinger—expresses public chagrin that the embargo, which he had expected the Arabs to have lifted long before now, is still going on—at the cost of disrupted lives and disrupted economies here, in Europe, and in Japan.

And speaking of Europe and Japan, not all Nixon-Kissinger activities have been successes, however belatedly qualified. Some of them have been recognized failures from the beginning. Whatever happened, for example, to the great "year of Europe" that was supposed to have brought us and the NATO nations closer together? Instead of getting closer to our friends, we have drawn farther apart than at any time since World War II.

Our allies refused to allow us use of our own air bases for the arms airlift to Israel during the October war. Now they are scrambling against one another—and against us—for the oil supplies that have been cut because of that war. France, for example, has concluded three major oil deals on her own.

A new worry in Washington is that President Nixon may wind up wishing he had never called the international conference of major oil-consuming nations in hopes of putting together a common front to deal with the oil embargo.

Just before the conference opened, a top oil industry Middle East expert was quoted as saying there was "great fear that the session will simply demonstrate to the Arabs that unity among the big oil-consuming nations is not possible, making the Arabs even tougher to deal with." France's behavior, which might have been predicted, gave substance to the fear.

And our NATO allies still resist shouldering a larger and fairer share of the burden of defending themselves—a burden that continues to cost the American taxpayer $17 billion a year. The Common Market countries not only have more people than either the United States, or the U.S.S.R., but they now are the most powerful trading group with almost 40 percent of world trade. Yet they want us to provide and pay for all too much of their defense.

And to add to the confusion, Secretary Schlesinger has issued a threat—this time on behalf of the Russians, of all people—that the Soviets will overrun Europe if we substantially reduce the 300,000 troops we still have stationed there.

In Asia, Japan has not fully recovered from the "shock" of being left totally uninformed and unconsulted about the administration's plans for an historic turn in our relations with China—Japan's historic neighbor and rival and sometimes implacable foe. India is still bitter about the U.S. "tilt" toward Pakistan in the tragic war over Bangladesh.

It is well then that we cease being so indiscriminately laudatory about the administration's foreign policy and subject it to more critical analysis. Unless we check our national proclivity toward over-sell and over-optimism, we could be setting the stage for serious disappointments as reality begins to catch up with us. The consequence could be a counter-reaction, a further turning inward of the American people—already understandably preoccupied with mounting domestic problems—to the detriment of world peace and improved international relations.

We could see a backlash of public disillusion if the great expectations that the administration has raised do not produce concrete results. It would be tragic indeed—for us and the world—if there were to be a new American isolationism.

We should continue to give the President and Mr. Kissinger credit when credit is due. But perhaps in more restrained fashion. And perhaps with a bit more skepticism and a bit more "show me" than we have manifested in the past.

Let us demand more hard results from promising beginnings. Let us put an end—sometime, for God's sake—to pouring billion's of dollars into the military rathole in Vietnam.

Let us go beyond the present dubious détente—which seems little more than the cold war in another, slightly less pernicious form—to achieve a more stable and more secure relationship with the Soviet Union and China than balance-of-power politics is ever likely to bring us.

Let us reduce—not merely limit at successively higher levels—the provocative, costly arms race and work with all nations to at last bring the arms race to an end.

Let us reduce the nearly 2,000 overseas military bases and installations, and the 600,000 men we maintain in some 30 foreign countries around the world at an annual cost of $30 billion.

And let us make the United Nations and the World Court more effective instruments for order and justice under law for all people of all nations.

We have taken promising steps toward reopening lines of communications and launching constructive dialogs with governments with whom we have been in sharp disagreement in recent years.

That is great.

The people of our Nation—and the people of the world—are relieved that the big nuclear powers, who have the ability to destroy not only themselves but everyone else on this planet, are still talking to one another. That is, with the exception of any Soviet-Chinese dialog.

But after so many years of misunderstanding, there is little likelihood that the resolution of outstanding problems will occur overnight. Progress, especially in international relations, takes time and will always be short of perfection even when it does take place.

We have got to be realistic about how much to expect and how fast to expect it. But we have also got to be realistic in not being satisfied to settle for just talk-talk between governments.

Talking is good, but it is not good enough. We should be demanding from our leaders positive progress and positive results. Actions—for good or bad—will always speak louder than words. And it is by what our leaders do even more than by what they say that we should judge them.

Our relations with other nations will be truly meaningful only when associated with gains in the areas of peace, prosperity and human liberty. Our foreign policy should be directed toward what is best for the people of our land and best for the people of other lands—not toward what may merely be best for government, or for those who for fleeting moments in the course of history exercise governmental power.

NAVAL PETROLEUM RESERVES

Mr. GRAVEL. Mr. President, the energy crisis has prompted discussion of

the opening of Naval Petroleum Reserves, and considerable attention has been given specifically to the reserve in Alaska, referred to as PET 4. Apparently there has been some misunderstanding about the boundaries of PET 4, and it appears the Department of the Navy is attempting to extend the boundaries at the expense of the State of Alaska.

The matter of boundaries is of written record, and is perfectly clear. However, people in the Navy, conversant with the northern Alaska topography and geology, have attempted to change the long-standing boundaries after oil was discovered at Prudhoe Bay, which is near PET 4, despite the fact that the same naval branch of our Federal Government had never argued that Alaska was not the owner of the Colville River bottom under the Submerged Lands Act. It is obvious to Alaskans that, following the discovery of the large field of oil at Prudhoe Bay, certain persons in the Department of the Navy were intent to diminish the potential value to the people of Alaska of future oil discoveries in that area.

Some historical facts relating to the boundaries of PET 4 are as follows:

On February 27, 1923, President Warren G. Harding established Naval Petroleum Reserve No. 4 by Executive Order No. 3797–A. Its eastern boundary was described as the "western or right bank of the Colville River." From that day until 1969, after discovery of oil and gas at nearby Prudhoe Bay, no one questioned that the western bank of the Colville River was the reserve's boundary.

The western bank was given as the boundary by the Navy itself in its proposed draft of the Executive order to establish the reserve in 1923. The Geological Survey map used as a reference in the preparation of the Executive order shows the boundary of the proposed reserve on the western—left—bank of the Colville River. The term "or right bank" was inexplicably added to the proposed draft by the Bureau of Mines when it reviewed the proposal. The Director of Naval Petroleum Reserves in a 1945 letter to the Commissioner of the General Land Office acknowledged the error, stating that the description should read: "the western or left bank of the Colville River."

All maps of Alaska which depict the reserve show its eastern boundary as the west bank of the Colville River. This includes the Navy's own map by the Bureau of Yards and Docks published in 1953. In 1958, at the request of and in cooperation with the Navy, the Geological Survey published Professional Paper 301 on the reserve. Plate 1 of the publication is a large map of the reserve and clearly shows its eastern boundary as the western—left—bank of the Colville River. Finally, on April 22, 1958, in order to remove any ambiguity concerning the boundary, the Secretary of the Interior, at the behest of the Navy, issued Public Land Order 1621, redefining the eastern boundary as the western or left bank of the Colville River. This version was confirmed by Assistant Secretary of Defense Morris in a letter to the Secretary of the Interior in 1964.

For 11 years the Navy assented to the redefined boundary, just as it had, in effect, since 1923. The 2-mile buffer for mineral leasing near the reserve was measured from the western—left—bank. The Navy approved State selections of land on the eastern—right—bank. No one argued that Alaska was not the owner of the bed of the Colville under the Submerged Lands Act. Then oil was discovered at nearby Prudhoe Bay, and after 46 years—nearly half a century—of administration to the contrary, the Navy asserted jurisdiction over the Colville, and for good measure, over more than 200 square miles of submerged lands also belonging to the State, in the Arctic Ocean.

The State protested the Navy's assertion of jurisdiction over lands belonging to the State of Alaska, and, seeking to force a legal resolution of the Navy's claim, requested the Navy to assert whether its action was final. The Navy responded that "we are continuing our consideration—and we would welcome any further comments." By refusing to take action, the Navy places itself in a position to answer any legal complaint by saying that the courts should not interfere since it is still considering the matter and has not done anything to deprive anyone of any rights. Now, apparently, through the use of "leaks" to Members of Congress, the Navy seeks to accomplish through political pressure that which would be nothing less than a travesty on justice against Alaska, a sovereign State of our American Union, and that which it knows could not be accomplished in the courts.

There is no question that many persons have become unwitting supporters of a position in this matter that is patently erroneous. Those who are responsible for causing this wrongful impression, should, in my judgment, be held to answer for the purposeful conveying of wrong information.

In a recent Jack Anderson column, Mr. Anderson states:

> The oilmen would like to put their rigs three miles closer to the rich reserve, which would probably enable them to tap into the Navy's oil. To accommodate them, the Bureau of Land Management has raised a boundary dispute in an attempt to pry the desired area away from Navy control.

Apparently the position of the Bureau of Land Management is merely one that follows the description which established Naval Petroleum Reserve No. 4 by Executive Order 3797–A, in 1923. A thorough check of all the records will bear this out.

The State has no connection with the oil companies in this matter. The State's sole interest is to honorably represent the people of Alaska and their best interests. It appears that there are those in the naval branch of our Federal Government who would, in effect, attempt to have a large portion of Alaska's rightful inheritance, granted to Alaska with the passage of the Alaska Statehood Act in 1958, blatantly stolen from Alaska.

In light of the above related simple facts in this matter, I would urge all to explore in depth the validity of the foregoing information, and then work with the State of Alaska not only to rectify the very hurtful impression that has been created, but to help Alaska see to it that the important subject boundaries remain as they have existed since February 27, 1923, and as they became part of the boundaries of the State of Alaska when Alaska achieved Statehood on January 3, 1959.

Mr. President, I am frankly appalled by the Navy's action. I recently testified before the Subcommittee on Naval Stockpile and Naval Petroleum Reserves. As stated in my testimony, the 10 to 33 billion barrels of reserve oil in PET 4 are enough to meet our total military needs for 30 to 100 years at current levels of consumption. At a military consumption rate of 398 million barrels per year—the highest level attained during the Vietnam war—we could meet total military needs from 25 to 83 years. At the peak rate attained during World War II—570 million barrels per year—we could supply the military for 18 to 58 years.

Despite uncertainty surrounding both reserve size and military consumption levels, there is much more oil in the reserve than is necessary to meet military needs on an emergency basis. The above figures assume that total military oil needs would be met with the reserves—a situation that is not likely to happen.

The energy crunch is upon the civilian sector—not the military.

MINERALS AVAILABILITY AND THE TRADE REFORM ACT

Mr. DOMENICI. Mr. President. I expressed my concern regarding the continued availability of critical minerals to the United States in a statement on March 5. In today's Washington Post an article by Hobart Rowen entitled "The Threat of Foreign Embargoes" calls further attention to the threat of the mineral embargoes.

Mr. President, the gravity of this threat to our economy merits the immediate attention of all Members of the Congress. Mr. Rowen outlines some of the alternative responses to these potential artificially created shortages of raw materials. Since we will soon be considering the Trade Reform Act, I ask unanimous consent that this article be printed in the RECORD.

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

THE THREAT OF FOREIGN EMBARGOES

(By Hobart Rowen)

When President Nixon proposed broad new foreign trade legislation last year, the world was largely concerned with tariffs, quotas, and other measures that are supposed to protect producers in their domestic markets.

But the Arab oil embargo has given a dramatic new focus to world trade problems. We are still concerned with import questions—especially the continuing and short-sighted protectionist pressures that would attempt to insulate the United States in a world obviously growing more interdependent.

However, the effective use of the boycott and production curtailments by the cartel

of oil-producing nations—for which no one was prepared—has demonstrated that trade policy must deal as well with the crucial problem of fair access to foreign supplies.

Belated, the Nixon administration has come around to the notion that the tough, aggressive economic measures adopted by the oil cartel must be met with an equally determined stance on the part of the oil-consuming nations.

Beyond that, the administration has now formally approved the initiative taken by two Democratic senators. Walter Mondale of Minnesota and Abraham Ribicoff of Connecticut to amend the Trade Reform Bill in a way that will help the nation respond to artificially-created shortages of materials.

"If we are having so much difficulty coping with an Arab oil boycott affecting less than 10 per cent of our total oil consumption," says Ribicoff, "imagine an international squeeze play affecting such minerals as chromium, tin, manganese, platinum, cobalt, nickel, bauxite, and asbestos, where we are from 80 to 100 per cent dependent on foreign sources."

Treasury Secretary George P. Shultz this week told the Senate Finance Committee that "we need unambiguous authority to withdraw the benefits of trade concessions from countries that impose illegal or unreasonable restraints on sales of commodities in short supply."

The administration may not be ready to go as far as Ribicoff and Mondale would in imposing sanctions against countries that wage economic warfare against us.

But unless some strong actions are taken, ultimately on a multilateral basis, the world will get itself into a race for raw materials that only worsens an already devastating inflationary spiral.

One way would be to establish "escape clause" procedures comparable to those now existing on imports if the U.S. finds it necessary to retaliate against export discrimination. Criteria for such retaliation would be spelled out, and public hearings proposed. This in itself might act to discourage those countries that may be thinking about halting or reducing the flow of their supplies of raw materials.

The larger and original purposes of the Trade Reform Act—to enable the U.S. to negotiate effectively in new multilateral bargaining and to manage the domestic impact of lowered tariffs and barriers—are still essential. But the bill would be a sham unless it deals forthrightly with the new power that the Arabs have persuasively demonstrated resides in the Third World.

As Fred C. Bergsten of the Brookings Institution points out, the whole nature of the foreign economic problem has changed in a year's time. So long as the main unsolved problem is inflation, major nations will be trying to establish export controls.

In a sense, that is an effort to shift the inflationary burden to others. Until now, the focus related more to import controls, which was an effort to export—not inflation—but unemployment.

It should be remembered that to protect the supply and the price of soybeans last year, the United States unilaterally put export controls on soybeans, which seriously threatened the Japanese food resources for a while. This was no more defensible than the Arab oil boycott.

More recently, when the fuel crisis was at a peak, the Japanese came close to slapping controls on plastics exports to their Asian customers, and the U.S. quietly considered putting export controls on petro-chemicals.

The problem of access to supplies, therefore, is pervasive, and not just limited to crude oil. Exporters of other raw materials will learn quickly from the oil producers. Thus, the nations that depend on a steady supply of raw materials must not be dissuaded from acting in their own self-interest by a misplaced euphoria over lifting of the oil embargo, when, and if that comes.

PRINCIPLES FOR NATIONAL HEALTH INSURANCE SUPPORTED BY THE COUNCIL FOR THE ADVANCEMENT OF THE PSYCHOLOGICAL PROFESSIONS AND SCIENCES

Mr. HARTKE. Mr. President, there is no greater need in our society than the need for adequate health care of all Americans. A year ago, I introduced the Health Care Insurance Act, S. 444, which would provide for comprehensive health services through a system of voluntary health insurance, including protection against the catastrophic expenses of illness. S. 444 now has 180 cosponsors in the House and Senate.

As Congress embarks upon a discussion of various national health insurance proposals, we will welcome input from consumers, providers of health care, insurance carriers, and other segments of the community. The Council for the Advancement of the Psychological Professions and Sciences is a public policy organization representing the viewpoint of the psychological community. Psychologists are a substantial and useful manpower source which can and should be effectively utilized in national health care delivery programs such as medicare, medicaid, CHAMPUS, Federal employees health benefit plan, and others—in addition to national health insurance. CAPPS has adopted a set of 12 principles for national health insurance.

Mr. President, I ask unanimous consent that these 12 principles of the council be printed in the RECORD.

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

PRINCIPLES FOR NATIONAL HEALTH INSURANCE SUPPORTED BY COUNCIL FOR THE ADVANCEMENT OF THE PSYCHOLOGICAL PROFESSIONS AND SCIENCES (CAPPS)

1. *Universality*—a national health plan must apply to all residents.

2. *Dual Choice*—the consumer must have the option of choice between not less than two alternatives and competing health care plans.

3. *Practitioner Access*—the consumer must have freedom of choice among the major health professions, including psychology, and direct access to licensed/certified health professionals, with guarantee of privileged communication.

4. *Controls*—it is essential that the controls to utilization be directed primarily to the practitioner rather than the consumer and implemented through peer review, and continuing education.

5. *Differentiation*—it is essential that there be a distinction between two separate but complementary systems focused to: a) active treatment of health disabilities and, b) continuing care for those no longer able to work or live independently.

6. *Prepayment*—it is essential, to enable effective planning, development and competition, that the plans in a national system of health care be financed on a prepaid basis.

7. *Non-Government*—it is essential that there be tax credit incentives to employee/employer participation for health plan development and that the premium costs for indigent subscribers be the only intrusion of government into the funding of direct health care services.

8. *Mental Health*—since emotional or mental disorder is a primary or concurrent problem for the majority of persons seeking health care, it is essential that broad mental health coverage be an integral component of all health plans.

9. *Continuity*—all plans/services must be available on a 24 hour basis and a prescriptive treatment plan must be formulated upon determination of disability.

10. *Prevention*—it is essential that all health plans seek to minimize disability through health education, screening and evaluation of persons at risk and through early treatment intervention and health maintenance.

11. *Parsimony*—it is essential that emphasis be given to ambulatory treatment and alternatives to hospitalization to: a) maximize treatment and cost effectiveness. b) minimize disruption of community and family life and, c) make optimal use of health practitioner and facility resources.

12. *Relevance*—major determinants to the development and continuity of health plans should be market demand and consumer use.

December 13, 1973 (Rev.)

HERBERT DORKEN, Ph. D.,
Chairman, CAPPS Committee on Governmental Relations.

Mr. HARTKE. Mr. President, these principles deserve the attention and thoughtful analysis of those of us who are responsible for shaping health care programs for this country. I find myself in accord with each of these 12 principles and am pleased to learn that the council will make its representatives available to discuss the principles and their application to national health care as the debate proceeds in Congress.

MALNUTRITION, U.S.A.

Mr. McGOVERN. Mr. President, I would like to submit the following thoughtful editorial from the Medical Tribune, February 13, 1974, entitled "Malnutrition, U.S.A.," which discusses a recent study issued by the Senate Select Committee on Nutrition and Human Needs.

As chairman of the Senate Select Committee on Nutrition and Human Needs, I have been repeatedly disturbed by the extent to which malnutrition and its related problems continue to exist in our great country. One of the greatest nutritional problem areas exists among low-income mothers and their infants.

Since the late 1960's, my committee has heard the recommendations of many blue ribbon panels comprised of medical experts in this field. Their general thrust is always the same: Low-income women and children are an especially vulnerable group, are "at nutritional risk," and those programs dealing with this problem should be improved and expanded. The groups making such recommendations include the American Academy of Pediatrics, the Food and Nutrition Committee of the Urban Affairs Council at the White House, the President's Committee on Mental Retardation, and the White House Conference on Food, Nutrition, and Health.

I think the clearest summary, although by no means the first testimony I have heard regarding the connection between

poor nutrition, infant mortality, and behavior abnormalities came during the June 1973 hearings before the Senate Select Committee on Nutrition and Human Needs on maternal, fetal, and infant nutrition. Dr. Myron Winick, who is a Robert R. Williams professor of nutrition, and professor of pediatrics, as well as director of the Institute of Human Nutrition, Columbia University, concluded his prepared statement with this summary of his investigations:

1. An association exists between the amount of weight gained during pregnancy and birth weight in all types of population.
2. An association exists between maternal nutritional status prior to pregnancy and birth weight in poor populations.
3. The difference in birth weight between rich and poor accounts for the difference in mortality between rich and poor.
4. The larger number of smaller infants the greater the chance of mental retardation.
5. Malnutrition retards infant growth producing smaller infants and organ growth producing smaller brains.
6. In animals, malnutrition results in behavioral abnormalities which may persist throughout life. In humans, early malnutrition results in similar abnormalities.
7. Feeding a better diet during pregnancy increases maternal weight gain, birth weight, and therefore, should decrease mortality and the incidence of retardation.

Fortunately, proven mechanisms for meeting this problem exist. Doctors in Memphis, Tenn., and Baltimore, Md., have been supplementing diets of low-income infants for the past few years and have achieved initial results that are very encouraging. They are using what has been called "the prescription food" technique. In other cities, officials are using the supplemental food program to improve the nutritional status of low-income mothers and infants. This program supplies a package of supplemental food made up of available commodities. Due to a combination of reasons, however, this program has not begun to reach the numbers of people who need its benefits.

Diet supplementation is an economical as well as a humane approach to addressing serious health problems of mothers and children. I do not like to talk about children's lives and health in terms of dollars, but the taxpayer is entitled to a guarantee that his lawmakers will not only pick a good program, but also the most economical one.

Failure to combat infant health problems is expensive. Low birth weight babies need intensive care, sometimes totaling thousands of dollars per month. There are 300,000 premature babies born each year. The total amount spent, on those who survive, is staggering. There are 150,000 mentally retarded children born each year. Protein deficiency may well play a crucial role in the causes of mental retardation.

It just makes good sense to me to save the lives and preserve the health of babies through the use of sound nutritional supplementation, rather than pay later. We can make no better investment in America than guaranteeing the health and well-being of our children.

I ask unanimous consent that the editorial be printed in the RECORD.

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

MALNUTRITION, U.S.A.

A report from the Select Committee on Nutrition and Human Needs of the U.S. Senate refers to a "staggering" incidence of prematurity or low birth weight in infants born to the poor and the correlation with poor survival, subsequent poor health, and poor mental development.

The report, published a few weeks ago, states, "Malnutrition appears to be the common denominator of each of these problems—low birth weight, infant mortality, mental retardation, and intellectual malfunction. Any attempt to break the cycle of poverty characterized by these phenomena must include nutritional intervention or this wasteage of human life will continue unabated."

Direct action to improve the nutritional status of the poor meets the problem head on. We have in the past emphasized that data about the health status of the poor have frequently been cited only to support the position that *medical care* of the poor is bad and that the system of health delivery in this country is deplorable. This has resulted in a confusion of *health needs* with *medical care*, as though the two were identical, which they are not.

Health needs, of necessity, include adequate nutrition, qualitatively and quantitatively, good sanitation, and good housing—in addition to satisfactory medical care. Historically, in terms of the greatest number of people, the first three listed above are to be credited with far more than can be attributed purely to medical care alone.

The problem of the delivery of medical care must be considered on its own merits, apart from the question of malnutrition U.S.A., housing U.S.A., sanitation U.S.A., etc. It has not been helpful in the past to confuse one problem with the others.

Last week a MEDICAL TRIBUNE editorial emphasized the likelihood that freely available abortion has reduced U.S. infant mortality. The rate can be reduced even further by improving the maternal-nutritional status. It is more than probable that we can approach the best international mortality without any drastic change in our current systems of delivering medical care.

"SALT" AND THE U.S. STRATEGIC POSTURE

Mr. BROOKE. Mr. President, a debate is in progress in the Congress and elsewhere over the possible implications of the alterations in our strategic posture suggested by Secretary of Defense James Schlesinger. In the Senate the subject is being explored by the Subcommittee on Arms Control of the Foreign Relations Committee, the Armed Services Committee, and the relevant subcommittee of the Appropriations Committee. A similar investigation is underway on the House side. Given the complexity of the subject, such an extensive effort to explore all the ramifications of the issue in each of these forums is fully justified, indeed is a vital function the Congress must perform as part of its overview responsibility vis-a-vis U.S. defense policy and capabilities.

During the past several months I have made an extensive effort to understand the exact nature of the proposals made by Secretary Schlesinger. I have yet to receive information on the crucial details that will determine whether or not I will be able to accept the course of action advocated by the Defense Secretary. However, it is possible at this time to identify what I believe to be the three major rationales for the suggested alterations in our strategic posture. They are: First, to increase U.S. options across a certain portion of the deterrence spectrum; second, to enhance the credibility of the U.S. security guarantee extended to its allies; and third, to influence the SALT negotiations. In the next few months I intend to comment extensively on the relationship of these rationales to the proposals of Secretary Schlesinger. Today, however, I will make only a few brief observations on the SALT rationale.

Given the dynamic momentum of the Soviet programs in strategic nuclear weaponry, both the administration and the Congress are concerned that influential groups in the Soviet Union may believe that an opportunity is presenting itself for Russia to achieve clear nuclear superiority in the world. I believe we are all agreed that it is necessary to disabuse such individuals of this notion. The most desirable way to do this is to achieve a permanent limitation on strategic offensive weapons through a negotiated SALT agreement. Many believe that what is needed to accomplish this is a clear signal that the United States will do everything necessary to deny the Soviet Union any of the advantages it anticipates it may achieve by its strategic momentum. If such a signal were sent, many argue that the stage would be set for a meaningful agreement. *This is* the context within which the "SALT rationale" for nuclear flexibility is believed to be operable.

While I am essentially in agreement with the idea that certain elements in the Soviet Union must be persuaded that the United States will not tolerate the attainment of any unilateral advantage by Moscow in the strategic field, I think it is important that we recognize that the course of action suggested by Secretary Schlesinger, as it relates to the SALT negotiations, is, at best, a gamble. As the Economist recently stated:

. . . if the budget [FY 75 U.S. Defense Budget] brings home to the Russians the breathtaking range of possibilities available to the technological power of the United States, Mr. Brezhnev may decide to make SALT-2 the great breakthrough to cooling off the cold war which most of the world hopes it will be. But if SALT-2 fails, 1974 will have introduced the idea of a flexible nuclear response and could be the beginning of an extremely expensive round in the arms race.

Before we are "locked" into playing this gamble to the hilt, we had better explore all its implications—military, political and psychological. I am not convinced that the needed indepth exploration has occurred.

The proposals of the Defense Department will increase the technological complexities of the SALT negotiations. MARV, cruise missiles and the possi-

bility of a new small missile submarine are bound to complicate the technological calculations inherent in the SALT process. Whether or not this negative aspect of the proposed alterations will be offset by positive political results is an open question.

Naturally, there are other questions relating to the potential effects on the SALT negotiations and the arms race in general of the proposed alterations in our strategic posture. For instance, these alterations may have an impact on the nuclear proliferation question far in excess of that anticipated by the proponents of nuclear flexibility.

It is impossible to make any final decisions yet as to whether or not "nuclear flexibility" is the path we want to follow in seeking our objective of a permanent limitation on strategic offensive forces. Before the Congress will be in a position to make this determination, we must receive a much more extensive analysis of both the short- and long-term implications of such an approach. Hopefully such an analysis will be forthcoming in the next few months.

Mr. President, I ask unanimous consent that the Economist article entitled "The Schlesinger Gamble" be printed in the RECORD.

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

THE SCHLESINGER GAMBLE

After the energy conference, Nato: Mr. Kissinger has scored another point in America's relations with Europe. He has been arguing that the United States and its European allies need a better method of regular consultation. Now, from next month, the political heads of 14 foreign ministries—everybody in Nato, including France, except Iceland—will meet frequently with the Nato permanent council. This provides a new level of consultation, between the twice-yearly meetings of ministers and the stodgy gatherings of the permanent council meeting alone. The change is needed: the recent publication of the American defence budget is a vivid reminder not only of the preeminence of the United States in matters of defence but also of the two-way dependence with its allies.

The new items in the American defence budget, plus some major changes in emphasis, have set the United States off in a fresh direction. This budget is very much the creature of the new Secretary of Defence, Mr. Schlesinger. The hallmark is flexibility. He wants to have several possibilities for response in any situation. Not only does he want the power to fight a conventional war; he wants a rich variety of nuclear options as well, so that even nuclear action can be tailored to the shape of any particular crisis.

There are three distinct results of this budget; all are, or ought to be, highly controversial, and not looked upon simply as this year's ration for the American military establishment. First, the bad news for America's European allies is that Mr. Schlesinger's nuclear flexibility is apparently to be achieved at the expense of some kinds of conventional forces. Although widely billed as America's biggest defence budget since the second world war, it is actually smaller in real money terms than any since 1951. It does not directly reduce the American forces in Europe but it does cut about 20,000 men out of the armed services as a whole. If this kind of budget becomes routine over the next few years it will certainly generate pressures of its own for reductions in Europe; a sizeable part of the Defence Department could find itself allied with the isolationists in Congress.

The second result of this budget will be to make the current round of Strategic Arms Limitation Talks (Salt) much more difficult. The negotiators are confronted with America's proposal to produce lots of different new weapons. There are now not only bombers and land-based and submarine-carried missiles (and numbers of warheads) to be considered. There is a new quiet missile submarine, smaller than the 24-missile Trident; there are missiles with maneuverable warheads; there are also, in one of the sharpest budget increases, new cruise missiles which can be launched from submarines or aircraft. None of these new weapons is here yet; most are years away. But the American defence budget, with its tradition of revealing nearly everything about American plans, is itself a major instrument in arms politics. And this one, with its bewildering array of strategic possibilities, cannot fail to make Salt-2 a very complex operation indeed.

The third result of this budget may be a sharp acceleration of the arms race. The Americans' nuclear strategy has passed through several distinct stages. There was President Eisenhower's "more bang for the buck", which was massive nuclear retaliation for any attack by the Soviet army. This was followed by flexible response, which has never seemed entirely convincing because Nato has never been willing to provide enough troops to hold off a Soviet attack for more than a few days. Then the advent of anti-ballistic missiles (ABMs) threatened to break the nuclear balance. The Salt-1 agreement tried to put the lid back on this box by limiting the numbers of ABMs. But in retrospect Salt-1 may have been a hollow triumph; certainly the tacit agreement by both sides to deploy only one of their two allowed ABM systems was due in large part to the realisation that offensive technology is moving faster than defence. The new American budget pushes this technology a stage further with all its hints of new attacking weapons to come. The nuclear arena is, once again, the centre of the American-Russian competition.

SEE WHAT WE CAN DO

Of course, the American budget is not the only factor which threatens to destabilise things. The Russians have built a lot more missiles over the past few years than the Americans have, and have lately tested several new long-range missiles; they have also developed multiple independently-targetable re-entry vehicles before western intelligence predicted they would. Mr. Schlesinger's announcement that some American warheads are being re-targeted on to Russian missile sites is part of the response to that. (It is also the result of the increased number of Poseidon missiles in America's inventory. With Poseidon's multiple warheads, there are so many warheads available that they are literally running out of city targets.) The budget is another part.

So this year's American defense proposal—which is all the budget is at this point—may simply be a historical milestone in a process that began several years ago. There is a strong argument that the nuclear flexibility this budget represents can be used to make war less likely. And if the budget brings home to the Russians the breathtaking range of possibilities available to the technological power of the United States, Mr. Brezhnev may decide to make Salt-2 the great breakthrough to cooling off the cold war which most of the world hopes it will be. But if Salt-2 fails, 1974 will have introduced the idea of a flexible nuclear response and could be the beginning of an extremely expensive round in the arms race.

SENATOR HUMPHREY ATTACKS DECISION TO INCREASE MILK IMPORTS

Mr. HUMPHREY. Mr. President, once again the Cost of Living Council has taken steps to destroy America's agriculture, this time by urging the importation of 150 million pounds of nonfat dry milk between now and June 30. And the move is in direct contradiction to the reasons given by the CLC.

When this announcement was made on March 4, Cost of Living Council Director John T. Dunlop stated that their objective was to "encourage—greater capacity in areas of the economy experiencing domestic shortages."

I contend their action will do just the opposite. It will not encourage greater capacity in the production of nonfat dry milk—it will discourage it.

It is regrettable what this, and earlier actions have done to our domestic dairy industry. Throughout 1973 the administration authorized the importation of huge supplies of manufactured dairy products—nonfat dry milk, butter, and cheese. During this same period dairy farmers in the United States by the hundreds were selling off their dairy herds, primarily because they were getting no encouragement from Government policy to produce these vitally needed foods. Instead, such actions as these imports were discouraging them. As a result, dairy production in the United States dropped by 3 percent last year and is still dropping. Milk production has been down in every month since October 1972.

A step which should be taken now to encourage dairy farmers to produce the dairy products we need and one which I strongly recommend is to raise dairy price supports to 90 percent of parity for the coming year.

The Secretary of Agriculture must announce the price support level by April 1, and I am urging him to set the level at 90 percent, the highest level permitted by law.

My own State of Minnesota is particularly hard hit by these discouraging actions because 68 percent of its milk, according to latest USDA figures, is what is known as manufactured grade and can only be used for products of the type which are being imported. These imports, therefore, hit directly at the economy of our State.

These imported dairy products are subjected only to a spot check surveillance. Neither the production of the milk going into these products nor the processing of them are subjected to the same inspections which Minnesota dairy products must undergo.

Unfortunately, these trends are not very well known, but I can assure you

that dairy farmers are going out of business in droves. They are efficient and can compete effectively with European dairymen. But this is impossible when Government policies work to foreclose markets to our dairy industry and fail to enable dairymen to earn a decent return on their production costs.

VETO OF THE ENERGY EMERGENCY ACT

Mr. ROTH. Mr. President, I recognize that the politically popular vote would be to vote to override the President's veto of the Energy Emergency Act. In good conscience, however, I cannot do so. It would be both demagogic and shortsighted for me to vote for this legislation.

The sense of this position is clearly demonstrated by recent editorial positions in several responsible leading daily newspapers representing a spectrum of political opinion. The Wilmington Evening Journal, the Wall Street Journal, the Washington Post, the Philadelphia Inquirer, and the Washington Star-News have all taken positions against the Energy Emergency Act and to one degree or another view this acts as an impractical and political approach to the energy problem.

My view, also shared by these newspapers, is that this legislation may mean longer lines, because by rolling back prices we may well reduce supply. Our top priority must be to increase the supply of oil and you cannot do so by legislatively locking in prices. If there is to be any kind of price rollback, it should be handled administratively rather than legislatively. That way you can respond more quickly to the supply-and-demand factors.

It also is far preferable to handle the windfall tax problem through tax reform measures which would change the depletion allowance and other tax benefits for the oil and gas industry.

Frankly, one reason there is so little confidence in Government today is because too many of us do what is political rather than what will bring the best results. I believe that the important thing to do in this case is to move now in the direction of progress toward increasing supplies of oil and gasoline. We should be wary of any measure which would obviate this approach, no matter how popular at the moment.

PUBLIC FINANCING OF FEDERAL ELECTIONS

Mr. HART. Mr. President, the ongoing debate about public financing of Federal elections sometimes overshadows the fact that provisions for such funds for Presidential elections are already law.

A taxpayer can participate merely by checking a box on his or her income tax return. The money, $1 for a single person or $2 for a joint return, will go into a fund to be equally divided between major party candidates for President, with smaller amounts available for candidates receiving more than 5 percent of the vote.

Unhappily, too few people are aware of this provision or of exactly how it works. The $1 Checkoff Committee, Washington, D.C., has prepared a useful question and answer sheet on the program which I ask be printed in the RECORD at the conclusion of my remarks.

Certainly I would encourage taxpayers to use this checkoff provision, for the larger the fund, up to a limit, the less Presidential candidates will be permitted to raise for their 1976 campaigns.

No one should suggest that public financing alone will restore public confidence in our political leaders, but public financing would remove one major cause of public distrust—the appearance, if not the fact, that large contributions buy access if not commitments. I urge all persons filing income tax returns to check off the Presidential election campaign fund box on their tax forms.

I ask unanimous consent that the checkoff questionnaire be printed in the RECORD.

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

HOW THE DOLLAR CHECKOFF WORKS

QUESTIONS AND ANSWERS

1. *What is the dollar checkoff?*

In 1971, Congress passed a new law establishing the Presidential Election Campaign Fund. The purpose of the law is to provide public financing of Presidential campaigns by allowing each taxpayer to direct one dollar of his or her Federal income tax to a special fund to be distributed among the candidates.

2. *What is the procedure for an individual wishing to make use of the dollar checkoff?*

On the regular 1040 and 1040A Federal income tax form, *line 8* is entitled "Presidential Election Campaign Fund." Taxpayers wishing to direct one dollar of their taxes to the Fund simply check the box on that line. If it is a joint return, there is a second box for a total of two dollars.

If the taxpayer did not make use of this portion last year (1972), he or she may now do so by additionally checking off a second set of boxes in the enclosed line entitled "Note" directly above the signature line at the bottom. This will direct an additional one dollar (or two dollars in joint returns) from the paid taxes to the Fund.

Thus, in 1973 a taxpayer may direct a total of two dollars (or a total of four dollars in joint returns) to the Fund by checking off both line 8 for 1973 and the additional line at the bottom, in order to retroactively checkoff for 1972.

3. *What will this cost the individual taxpayer?*

Absolutely nothing. The checkoff simply directs a dollar of the individual's normal taxes to the Presidential Election Campaign Fund established by Congress. It does not increase anyone's taxes, nor does it reduce any tax refunds.

4. *Where does the money go?*

All funds go directly to a special account in the Treasury Department administered by the Secretary of the Treasury and the Comptroller General of the United States. (Section 9006)

5. How will this Fund be used?

Monies from the fund will be distributed to eligible candidates for President and Vice President based on the formula established in the law creating the Fund. The formula provides that all candidates whose party received 25% or more of the total votes cast in the preceding Presidential election (referred to as major parties) are eligible to receive 15c per eligible voter over 18 years of age, based on the census figures as of June 1 of the year preceding the election.

The candidates of minor parties, i.e., those parties which received more than 5% but less than 25% of the vote in the preceding Presidential election, will receive from the Fund payments which are in the same ratio to the payments received by major party candidates as the vote of that minor party to the average votes received by the major party candidates in the preceding Presidential election.

Example: Using round figures, let us suppose that in 1972 there were 100,000,000 popular votes cast for President. Of those, suppose that the Republicans received 50,000,000 votes, the Democrats 40,000,000 and the remaining 10 million were cast for various minor parties of which one, The Third Party, received 9,000,000, with the remaining 1 million scattered among a number of other splinter groups.

On June 1, 1975 (the year preceding the 1976 election) the Bureau of the Census will report its determination of the number of Americans over 18 and therefore eligible to vote. Supposing that the Bureau reports a figure of 160,000,000 eligible voters, the Republicans and Democrats would each be entitled to receive a payment of 15c times that figure, or $24 million each. The hypothetical Third Party, which received 9,000,000 votes, or 9% of the total popular vote, is also entitled to a payment since it received more than 5% but less than 25%. To compute that payment, one calculates the average number of votes received by the major parties, which in this case would be 45,000,000, in order to arrive at a ratio between that average and the number of votes received by the minority party: or 9:45 reducible to 1:5. The same ratio is then applied to the payment due each major party, shown above to be $24 million. The Third Party would then be entitled to ⅕ of that, or $4,800,000, for use in the 1976 election. *None of* the remaining splinter parties would be eligible since none received over the minimum 5% of the popular vote in 1972.

The actual voting figures in 1972 for the Presidential elections were as follows:

Republicans (Nixon) (60.7%)	47,169,905
Democrats (McGovern) (37.5%)	29,170,383
American Independent (Schmitz) (1.4%)	1,098,635
Total popular vote	*77,734,330
Average of major parties	38,163,000

* The discrepancy in the total is due to votes cast for minor parties or candidates.

Since only the two major parties received more than 5% of the votes cast in 1972, only those two will be eligible to receive payments in 1976. Since they both independently received more than 25% of the vote, their payments will be based on the formula for major parties and no minor party will be eligible to receive funds in 1976.

6. *Can the candidates still solicit or accept private donations?*

If enough money is in the Presidential Election Campaign Fund to meet all payments due the candidates according to the formula explained above, then candidates may not solicit or accept private donations.

However, if the candidates under the above formula are entitled to receive $24 million each, but there are only enough funds to provide them with $14 million each, then they may make up the difference through private contributions. But they may not exceed the sum to which they would normally be entitled if adequate monies were available in the Fund. In other words, they may raise the extra 10 million dollars to reach the 24

million dollar figure in the above case, but they may not go beyond the 24 million dollar limit based on the number of eligible voters once they have agreed to participate in the program.

7. *How may the funds given a candidate be spent?*

The funds may be used only for *qualified campaign expenses.* The law creating the Presidential Election Campaign Fund defines qualified campaign expenses as expenses that a candidate or his authorized committee incurs to further his election to office. This includes everything from television advertising costs to office space to travel expenses. The law states: "(Subsection), (11) The term "qualified campaign expense" means an expense—

(A) incurred—

(i) by the candidate or a political party for the office of President to further the election of the candidate of such political party for the office of Vice President, or both

(ii) by the candidate of a political party for the office of Vice President to further his election to such officer or to further the election of the candidate of such political party of the office of President, or both, or

(iii) by an authorized committee of the candidates of a political party for the offices of President and Vice President to further the election of either or both of such candidates to such offices,

(B) incurred within the expenditure report period (as defined in paragraph (12)), or incurred before the beginning of such period to the extent such expense is for property, services, or facilities used during such period, and

(C) neither the incurring nor payment of which constitutes a violation of any law of the United States or of the State in which such expense is incurred or paid.

Public Law 92-178. 85 Stat. 564

8. What about groups, committees, special interests, and individuals spending money for the election of a candidate for President or Vice President independent of that candidate's campaign?

It is unlawful for any group or individual to knowingly or willfully incur expenditures above $1,000.00 to further the election of a candidate, when such an expenditure would constitute a qualified campaign expense (as defined above) if made by the candidate or the campaign itself.

9. What if the amount paid to a candidate exceeds the total sum of the qualified campaign expenses he incurred?

Candidates are entitled to receive a total payment equal only to the sum of all their qualified campaign expenses, minus any allowable private contributions. Excess payments, if made, must be repaid to the Federal Treasury as certified by the Comptroller General.

10. What if the amount of money collected through the dollar checkoff exceeds the total amount needed to pay all of the candidates the sums to which they are entitled?

All such excess funds will revert back to the general fund of the Treasury after the election, to be used as normal tax revenue.

11. Who pays for the primaries?

The dollar checkoff law applies only to the general election, the period following the nominating conventions. Primary campaigns will be conducted with funding from private sources as before.

12. Who in the government is responsible for overseeing and reporting on the use of the funds?

The Comptroller General of the United States is generally charged with overseeing the administration of the Presidential Election Campaign Fund. Once the sums have been paid to the candidates, however, the candidate has control over the funds assigned to him. All candidates are required to periodically report on expenses, and after the election the Comptroller General is to carry out a complete audit. The Comptroller General is required to report to Congress after each election on the qualified campaign expenses of each candidate and such information is to be made public as a Senate document.

DO WE FACE ANOTHER BEEF SHORTAGE?

Mr. McGOVERN. Mr. President, the prevailing view in much of America is that, because of high food prices, the farmer is getting rich.

And while prices of some farm commodities have increased sharply in recent months—in a long overdue increase—few, if any, farmers are joining the ranks of the "new rich." In most cases, the reality is precisely the opposite.

The reason, of course, is that the farmer does not benefit from inflation—he suffers, as the rest of us, from inflation. In many cases the farmer is hurt even more severely.

The cost of farm production—the farmer's index of inflation—has jumped 20 percent in the past year.

One example of the new cost-price squeeze is demonstrated in the area of beef cattle. At last year's peaks, slaughter cattle sold for as much as $58 per hundredweight. Yesterday's Omaha prices were in the $41 to $42 range for choice slaughter steers.

Many Americans are puzzled and disturbed that the price of beef in their supermarkets has not shown any significant drop since last year's record high levels.

We hear new discussions of plans for another "consumer beef boycott" next month.

In my view, such an action would be counterproductive to the goals and aspirations of consumers. Last year's beef boycott, to which the administration responded with disastrous controls on beef prices, neither decreased nor slowed the increase in the retail price of beef.

The chaotic disruptions in the food economy which began with price controls are still being felt. It may take another year or two for these dislocations to work themselves out.

In the meantime, livestock feeders today are caught with fed cattle that cost them up to $55 per hundredweight to feed to slaughter weight, and a market that may pay them $41 or $42 a hundredweight. Cattle feeders who take slaughter cattle to market today stand to lose $100 to $150 for every animal marketed.

The large majority of livestock feeders today are small family operators who have been subjected to wild up-and-down swings in the market—and who today are caught between a sharp downturn in the prices of their cattle and equally sharp upswings in the prices of feed and other inputs.

When one realizes that this cost-price pinch is compounded by shortages of many necessary items, such as urea and phosphate feed supplements, it is readily understandable that the livestock feeder has little incentive to buy replacement feeders.

A depressed market for feeder cattle, in turn, diminishes the incentives for livestock growers to stimulate production of calves, starting anew the chain which leads to cyclical shortages of beef in the supermarket.

Our meat economy is as close to a free market as this Nation has today, and it will require some period of being left alone, absent of price controls and other tamperings, for the situation to work itself out.

But, in the meantime, farmers and consumers will pay a hard price for the unwise decisions of a year ago—consumers will find retail prices high, farmers will be forced to sell their cattle at a loss.

There are a few steps which the Government can take to alleviate the pain. As for consumers, we have made significant improvements in food stamp and other food assistance programs which will soften the impact on those families least able to pay.

But for the average working family and for the livestock grower and feeder, Government policy has worked the other way.

For the farmer and for the working family, I would urge two steps:

First, the Department of Agriculture should immediately resume buying meat products for the school lunch program and accelerate its rate of purchases. Not only would this step create a bit more demand for meat, benefiting farmers and ranchers, but it would make more meat available to hundreds of thousands of schoolchildren at a school lunch price their families can afford.

Second, the administration should immediately reimpose quotas on imported beef. With livestock feeders losing $150 a head, the administration is terribly remiss in suspending, as it has, import quotas for the remainder of the year.

Mr. President, Gordon Van Vleck, president of the American National Cattlemen's Association, recently wrote a thoughtful article on beef price controls in his association's newsletter and I ask unanimous consent that it be printed in the RECORD.

In addition, I ask unanimous consent that an article quoting the presidents of two major farm organizations in South Dakota, both of whom express sharp opposition to the President's decision to allow unlimited beef imports this year, be printed in the RECORD.

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

BEEF PRICE CONTROLS: A DISASTER FOR THE CONSUMER

(By Gordon Van Vleck)

Because consumers and the government sent beef producers the wrong signals in 1973 in the form of boycotts and the price freeze, beef supplies are now down . . . and consumers are paying more for their favorite meat. This has been further compounded by the recent transportation crisis which almost completely shut down the beef pipeline.

The 1973 beef price freeze was the third in less than 30 years, not to mention those imposed during World War I, and not once have they worked. The freeze totally disrupted the live cattle market, causing wild upward and downward gyrations in prices. The freeze reduced the number of cattle placed in the nation's feedlots by about eight percent, even though there were about five percent more cattle available to go into feedlots.

Experience is supposed to be our best teacher, but some people seem prone to repeat mistakes of economic history. The trouble is the public is highly sensitive to food prices—and beef in particular—and price controls are viewed by some as a politically expedient solution to the short range situation.

It's ironic that the Administration talks about the dangers of short-term political expediency when dealing with the oil exporting nations; while at the same time short-term political expediency seemed to be the rule when it imposed controls on beef. The results will have long-term detrimental effects on the American consumer.

Beef production in the free market system—not frozen prices—is the key to better living. Consumers live and eat better only when adequate quantities of food are available. And the only way to increase supplies is to let stronger prices induce producers to turn out more. In a supply and demand business like cattle and beef, increased supplies will keep prices in line.

By mid-August last year, opinion polls showed that most Congressmen favored dropping price controls on beef so that cattlemen would produce more. Later, prices did decline, only to rise again more recently, because of the freeze-caused tightening of supplies—although average beef prices still were below 1973 highs. All indications point to larger beef supplies and somewhat lower retail prices later in 1974.

With the cattlemen's production costs at the highest levels in history, and with runaway inflation, we can never expect to return to the "cheap" food of yesteryear. But we can assure the consumer of adequate supplies at the most reasonable price for the consumer if we let the time-proven free market system work. We believe that is in the best interest of all. Therefore we urge Congress to let the Economic Stabilization Act expire on April 30.

[From the Aberdeen (S. Dak.) American-News]

STATE FARM LEADERS RAP BEEF ACTION

(By James W. Kofski)

Two South Dakota farmer spokesmen say that President Nixon's decision to remove restrictions on beef imports for 1974 would harm the nation's cattle producers.

"In the face of relatively low prices of live cattle it seems improper, and for that matter unfair, for the American cattle producer," according to Ben H. Radcliffe, Huron, president of the South Dakota Farmers Union.

Henry Knochenmus, Sioux Falls, said Tuesday the action could cause beef prices to fall in the United States, and "with the cost of operation today, that would not be good for beef producers."

Knochenmus is president of the South Dakota Farm Bureau Federation.

"I think it's poor economics and poor business to import beef and at the same time to put the domestic cattle feeder out of business," Radcliffe said. "We may find ourselves relying too much on imported food, as we have relied too much on imported petroleum.

"We need to encourage domestic production," he added.

Knochenmus said he could not see the necessity of dropping the import restrictions now. "The price of beef has been going down the last couple of weeks," he said, "so it shows there must be plenty of beef on the market."

As he did last year, President Nixon signed a proclamation declaring that it is in the "overriding economic or national security interests" that meat import quotas be suspended. The proclamation said potential imports of meat in 1974 will be 1.5 billion pounds.

Knochenmus said the president acted last year to pacify consumers after the price of beef had risen rapidly compared to the previous 15 or 20 years.

"He figured by bringing in more beef he would help to hold the price down," he said. "But what actually happened is that world demand was so great that not too much extra beef was imported last year."

If prices in the United States are high enough in 1974 to attract meat imports away from competing markets such as Japan and Europe, Knochenmus added, those imports could hurt the market in America.

"I think nothing can be worse for the long-range prospect for the consumer than to have the cattle feeder put in the position where he feels he can no longer put cattle in the feedlots," Radcliffe said. "We may see empty feedlots in the summer and fall, and our consumers may find the country out of domestic beef."

"At the present time, the beef business in South Dakota and all over the United States is in a kind of dilemma because the price of live beef is going down," Knochenmus said.

Radcliffe agreed. "With the current high price of feed, especially corn, cattle feeders are in a bind now with relatively low live cattle prices," he said. "And this action can only aggravate that situation."

"We normally expect to import some beef," Knochenmus said, "but I'm not so sure but that imports should be restricted to a certain extent in 1974.

"There is supposed to be a lot more beef in the country now than there has been," he added. "And when that grows up and comes into town, it will hurt the beef producer inordinately if we have beef coming in from other nations."

THE ENERGY AND ENVIRONMENTAL CRISIS

Mr. TOWER. Mr. President, today we hear more about the energy crisis than we do the environmental crisis and we hear more about the debate as to whether environmental action was a contributing factor to the energy crisis than we do about the great strides we have made in the last few years in cleaning up our country's air and water.

I do not understand why some individuals cannot see that the energy crisis and the environmental crisis are one and the same and that it is not an "either/or" situation. We do not have abundant energy or a clean environment, we do not have to sacrifice one for the other. What we do have to do is continue to work for abundant, clean energy which in turn can only assist us in improving our environment.

It would be a serious error to stop our aggressive, constructive environmental efforts at this time. It would be a mistake for our citizens to lose their impetus for working to improve their environment just when so much progress is being made. Certainly it is possible that we may have to delay implementation of some environmental standards or approve emergency variances, but we must not lose sight of our original environmental goals. For these reasons, I have again become a sponsor of Senator NELSON'S Earth Week resolution. This 1-week observance has, in the past, helped to educate our citizens and to increase their interest in working in their own communities to make them better places in which to live.

Passing this resolution will emphasize that we in this country have not lost sight of our environmental goals and that we continue to pursue them.

THE SUEZ CANAL AND INTERNATIONAL STABILITY

Mr. JACKSON. Mr. President, indications now are that, whatever else happens, one outcome of the administration's Middle Eastern diplomacy will be the reopening of the Suez Canal. On many occasions since 1967 I have expressed my belief that the opening of the canal should be considered only in the context of an overall peace settlement negotiated by the parties involved and establishing defensible borders for Israel. As I said in my report to the Congress of December 1970:

> The opening of the Canal . . . must be considered a trump card in any forthcoming settlement of the Arab-Israeli dispute. As such, agreement on this point should be withheld until a settlement of the fundamental issues is reached.

It was and is my conviction that the reopening of the canal is a principal objective of the Soviet Union; and because of the considerable Soviet interest in bringing this about we ought to have held this trump card in the Western hand until issues of comparable interest to us had been resolved. The administration has played it prematurely and unwisely. It is not too late, however, to propose and negotiate the demilitarization of the canal. I believe the administration should now insist that the Suez Canal be closed to the warships of all outside powers including naval vessels of the United States and the Soviet Union.

The nearly total dependence of Europe and Japan on energy produced in the Persian Gulf has been dramatically emphasized by the events since October 6, 1973. The strategic importance of the gulf, to which I have often referred in recent years, is now undeniable. And Soviet interest in establishing primacy over the oil-producing states of the gulf, so evident in Russian policy toward Iran in the past and Iraq at present, is a matter of utmost concern to our national security.

In the mid-1950's Soviet strategy in the Middle East, which had for centuries focused on Persia with only occasional forays beyond into Egypt—as in 1788 when Catherine the Great offered military assistance to the Bey of Egypt—took on a "leap-frogging" quality founded on efforts to exploit the differences between Arabs and Israelis. Directing its attention to Egypt and Syria, the Soviets hoped to gain a position in the Middle East that would have encircled Iran, Saudi Arabia and the smaller sheikdoms skirting the Indian Ocean. More recently, Soviet policy has focused on

Iraq, on Iran's neighbors to the north and east and on Somalia, Yemen, and Aden on the Red Sea and the Gulf of Aden. In this strategy the Suez Canal occupies a central position.

The principal, and rapidly growing, Soviet military fleet is deployed in the Black Sea where it is supported by the industrial and military resources of European Russia. The reopening of the Suez Canal—unless it is demilitarized—will substantially reduce the transit time and distance that the Black Sea Fleet must cover for deployment or operations in the Persian Gulf—not by a few percentage points, not by a few miles, but by over 70 percent, from 11,500 down to 3,200 nautical miles. The principal effect of this reduction in time and distance is this: With the canal in operation the Soviet Black Sea Fleet can be quickly sent into the Persian Gulf where it would rapidly outnumber anything that we could deploy in that vital region. The handling capacity of the canal is on the order of 50–60 ships per day. In the event of a crisis in the gulf—and it is not difficult to imagine such conflicts as the recurring exchange between Iran and Iraq reaching crisis proportions—the very considerable navy that the Soviet Union keeps on station in the Mediterranean could be quickly redeployed in the gulf, while the Black Sea fleet could be sent south into the Mediterranean. Moreover, recent developments in Somalia clearly suggest that the Soviets are likely to be in a position to provide air cover from operating bases at the southern access of the canal.

We, for our part, cannot expect to make comparable use of the canal. The sailing distance from the east coast of the United States to the Persian Gulf, now in excess of 11,000 nautical miles would only be reduced to 8,000 nautical miles if the canal were available to the U.S. Navy—a doubtful proposition at best. In any event the carrier task forces on which our naval power depends are, for the most part, unable to use the canal which is neither deep nor wide enough to accommodate our carriers. Nothing comparable to available Soviet facilities on the Gulf of Aden will be available to us to support fleet operations in the Indian Ocean.

The net effect of these facts is this: The power vacuum that developed with the withdrawal of British forces from the Persian Gulf and Indian Ocean—a vacuum that provided an interim measure of stability so long as it remained unfilled by the Soviet Union—can be expected to give way to the very great and dangerous instabilities that would result from Soviet predominance in this area. Vital sources of energy at the disposal of weak and potentially unstable governments would come under increasing Soviet influence even in the best of times; and in crisis situations only the Soviet Union would be in a position to bring substantial power to bear.

Mr. President, this evolving situation is highly disadvantageous to the United States and its allies and, I believe, prejudicial to the stability of the gulf and to our national security. The tenuous stability that now prevails in the gulf must be preserved, not only in the near term but for years to come.

Neither the American nor the Soviet Navy presently deploys in force in the Indian Ocean. Thus, the opening of the Suez Canal could turn out to be a stimulus to an arms race in that pivotal ocean.

I believe that we have a propitious opportunity to stop an arms race in the Indian Ocean before it starts; and the place to begin is at the gateway to the region, at Port Said. To accomplish this I believe that the administration should press for the closing of the Suez Canal to the warships of all outside powers including naval vessels of the United States and the Soviet Union. From time to time opportunities for regional restraint present themselves; and in my judgment the region is the Indian Ocean and the opportunity is now.

A proposal to demilitarize the Suez Canal would be in keeping with efforts to defuse the dangerous situation in the Middle East. It could have a salutary effect on the potential volatility of Soviet-Chinese relations. Because keeping the canal closed to outside military vessels would limit the size of the naval force the Soviets can deploy there, we could hope to avoid a long term requirement for a comparable deployment capability of our own.

Mr. President, as one looks ahead to the potential sources of international instability the Indian Ocean and its approaches loom large. One need only recite the countries that are affected: Egypt, Ethiopia, Somalia, Saudi Arabia, Kuwait, Iraq, Iran, the sheikdoms of the Persian Gulf, Pakistan, India and so on. If we fail now to move to limit a potential stimulus to arms competition in this area we will look back on this moment with regret.

WHAT TRANSPORTATION MEANS TO THE CITIES

Mr. HUMPHREY. Mr. President, I have frequently voiced my feelings before this body about the importance of a balanced, modern transportation system to the Nation's rural areas. I continue to believe that this need is one of the most glaringly neglected matters on the national agenda.

We are all similarly aware of the need for equally balanced transportation facilities in our cities. A great volume of criticism has been directed at the current lack of balance in our urban transportation systems, with the current energy shortages providing additional stimulus to this type of commentary.

Mr. President, I believe it might be both refreshing and enlightening if we were to take a brief look at the subject of transportation from a positive standpoint. Not to downgrade the value of criticism in dealing with our problems and needs, it is sometimes healthy to look at the achievements we have made and the benefits that have been provided by past action—if only as a means of measuring today's challenges and the progress we are making in coping with them.

In that spirit, I call the attention of my colleagues to an article that recently appeared in the Midwest Motor Transport News, the official publication of the Minnesota Motor Transport Association.

The article provides an excellent insight into the important connection between transportation services and facilities, and the economic growth and health of a community.

While the article understandably pays particular attention to the trucking industry and its contribution to the growth and development of the Twin Cities of St. Paul and Minneapolis, Minnesota, it also provides an excellent insight into the role other modes of transportation have played.

I ask unanimous consent that the article be printed in its entirety in the RECORD.

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

THE TWIN CITIES—TOWNS THAT TRANSPORTATION BUILT

The Twin Cities of St. Paul and Minneapolis are booming towns. And transportation has played a major role in developing the progressiveness and prosperity associated with the Twin Cities' mature, growing cosmopolitanism.

St. Paul, the older and smaller of the Twins, visited by Father Hennepin, French missionary in 1680, was originally known as "Pig's Eye." It derived its name from a coarse, ill-bred, one-eyed bootlegger with piggish features who peddled illicit grog from a Mississippi River cave to soldiers at nearby Fort Snelling, the bulwark of pioneer defense perched on high bluffs overlooking the confluence of the Mississippi and Minnesota Rivers. Father Lucien Galtier in 1841 built a crude log cabin chapel, dedicated to St. Paul, and the riverside settlement became known as "St. Paul's Landing," and the emerging community of St. Paul became an incorporated town, and the territorial capital when Minnesota became a territory in 1849. Populated by only a small cluster of immigrants who'd settled at the site of St. Paul's Landing the northernmost Mississippi River port, the city now has a population of 309,866, and a transportation history as vibrant as the city's importance historically, geographically and industrially.

Minneapolis, the younger but larger of the Twins, was born as the Village of St. Anthony in 1855, was incorporated as Minneapolis in 1856. Its history, however, dates back to 1805 when Lt. Zebulon Pike, commissioned to explore the area by the Army, made a treaty with the Indians by which they relinquished all rights to the sites where Fort Snelling now stands and lands adjacent to St. Anthony Falls. Seen by Pike as an important source of power and an ideal settlement site for immigrants seeking homes and opportunities near the Fort, the river in what was then a vast wilderness was populated almost entirely by Indians. From its founding fathers and first settlers at St. Anthony village, Minneapolis—combining the Indian word 'minne' meaning water, and the Greek word 'polis' meaning city—the city grew and prospered as a milling center and now boasts a population of 434,000. The Twin Cities 7-county metropolitan area encompasses Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington counties, giving the Twin Cities metropolitan area a population of some two million plus in a state whose

total population totals just a touch under 4 million.

River transportation made the first big impact on Twin Cities and state growth by providing riverboat transport forms for immigrants seeking new lives in the remote northern frontier.

Topography makes the Twin Cities the natural crossroads of the Midwest and gateway to the Northwest. Consequently, most of the transcontinental truck lines, headquartered in all national sectors, have regional terminal facilities in the Twin Cities. All authorized dealers for all makes of trucks, trailers, truck parts, refrigeration and repair firms have found the Twin Cities the center of Midwest trucking enterprise. A number of major component parts producers and service firms headquarter in the Twin Cities. Major truck and trailer rental and leasing companies serve the state through Twin Cities facilities. The Twin Cities comprise a robust trucking center and gateway, with the focal point of industry activities being centered in Roseville, and with major other truck centers in St. Paul's Midway Industrial area, the Mid-City Industrial area, and other focal points in St. Paul and Minneapolis.

The initiator of transport activity in the Twin Cities were Mississippi river packet boats, paddlewheelers, steamboats, other pioneer river craft, bringing settlers and goods to St. Paul's Landing and the village of St. Anthony.

Railroads accelerated the growth of the Twin Cities as a transport city, giving birth to James J. Hill, the "Empire Builder," who linked the nation's east and west coasts with rail travel and saw St. Paul become the headquarters for two major transcontinental railroads, the Great Northern and Northern Pacific. Airlines passenger travel, nurtured by new horizons blazed by aviators Speed Holman and Minnesota's Charles A. Lindbergh, provided incentive for construction of Twin Cities metropolitan airport—served by all major airlines today—not the least of which is Northwest Airlines which headquarters in St. Paul. The post-World War I development of trucks made the Twins one of the nation's major trucking centers. Today, trucks are the dominant Twin Cities transport form; though the two cities are still served by rail freight service by principal railroads, passenger service by Amtrak, airline service by all major domestic carriers, barge service by Twin City Barge Line and other river transport forms, and pipelines.

The Twin Cities commenced the stride of their growth with initiation of each transport form; river boats, railroads, truck lines, airlines, pipelines and barge lines. With each transport stride the cities attracted world attention and gave tremendous impetus to not only the cities' growth, but also to the development of a myriad of industries in the Midwest.

Thus, the geographical location of the Twin Cities and their significant historical roles coupled with the cities' potpourri of strong-willed people to spawn the growth of the Twins to become the vibrant center they are today in the Midwest as national leaders in business, industry, education and culture. There is an indomitable spirit in Twin Citians, reflecting the pioneer spirit of their forefathers who blueprinted the growth of a vast metropolitan area as milling, clothing, manufacturing, food processing, and publishing centers; a sprawling, robust 7-county metropolitan area that sets the pace for the nation and world in many areas.

Minnesota agriculture feeds the nation—the world. Wheat harvested in Minnesota is moved to Minneapolis milling centers and processed into flour, ready-mix products, instant foods, varied other food products. All major milling firms in Minneapolis have traffic and transportation departments; all heavily rely on trucks to bring crops to milling centers, and transport finished products to national and world markets. Livestock raised in Minnesota moves almost entirely by truck to So. St. Paul for slaughtering, and again by truck to wholesale and retail food markets across the nation. The 3M Co., Minnesota's largest corporation, with headquarters in St. Paul, employs the equivalent of a medium-sized city in personnel, and manufactures products for national and world markets, pursues scientific studies for development of new products in a multitude of major product lines.

The state trucking industry can take great pride in the growth of the Twin Cities, state and region because of its vital role in perpetuating the Twins as major transportation centers which—through its service to every state community—has triggered growth; not only through the past 41 years, but present and future.

THE ENERGY CRISIS

Mr. GURNEY. Mr. President, the Permanent Subcommittee on Investigations, of which I am a member, held hearings on March 6, concerning the effect of the energy crisis on our Nation's cities.

In my opening remarks, I pointed out the problems which exist in my own State of Florida, as well as statistics which illustrate similar problems in other areas of the country.

Because of the concern shared by all Americans over this energy crunch, and because many of my colleagues represent States with problems similar to those in Florida, I ask unanimous consent to have my statement printed in the RECORD.

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

OPENING STATEMENT OF SENATOR EDWARD J. GURNEY

THE CITY MAYORS

America's energy crisis has developed into more than just a shortfall of gasoline supplies, long lines, and angry motorists. It has aggravated problems within all sectors of our society—including those of mass transit, disposable waste, industrial inefficiency, unplanned growth, inflation, unemployment, the balance of payments, and many others. No single crisis has affected so many segments of our technological society.

Since the brunt of energy crisis has fallen most heavily on American cities, it is very appropriate that I join Chairman Jackson in welcoming an outstanding group of mayors from around the country. I am especially delighted that my long time friend, Mayor Carl Langford of Orlando, is here to represent Florida.

Florida's energy problems are, in some instances, acute. But more generally, they are quite typical of the difficulties that our cities are now facing. Using my own state, I would like to illustrate some of these deficiencies.

For example, in 1973, some 25 million people visited Florida, spending in the process over 5.6 billion dollars. This represents 15 percent of Florida's gross product and makes it the largest industry in our state.

However, in the winter, 60 percent of the state's visitors come by automobile while approximately 85 percent arrive by car in the summer season, and herein lies the crux of the problem.

As of February, the Florida State Department of Commerce estimates that tourism has dropped approximately 15 percent statewide, and that auto travel is down roughly 30 percent. If this trend continues, Florida stands to lose 5 million tourists, $200 million during FY 1975 in state revenue, and $1 billion in general expenditures. Some 150,000 to 200,000 individuals now stand the chance of losing their jobs.

For example, in St. Augustine, tourism is down 26% from a year ago, and 15% in St. Petersburg. Daytona Beach and Tampa, Florida, have been hard hit also and down in Miami—where about half of our tourists visit—business has slackened off by 8%.

Among our resorts and special attractions places such as Circus World, Sea World and Cape Canaveral—attendance is down by as much as 30% to 40%. Already, Rainbow Springs and Sponge-O-Rama have closed for lack of paying customers.

January 1974 unemployment claims resulting from the energy crisis have jumped 42%, and in December of 1973, 93,000 Floridians were unemployed. The spring and summer months, however, are not yet upon us, and Florida's state economist has predicted that by year end, this number will double.

Florida's dependence on petroleum and natural gas amounts to 9% of its total energy use. This compares with the national average of approximately 75%. Over 50% of Florida's energy goes for transportation and 97% of this amount is petroleum based. Thus, Florida is much more dependent on those energy sources which are in shortest supply than most states.

Many cities across the nation have experienced problems with their electrical utilities—either in terms of supply interruptions, inflation, or greatly reduced inventories. Florida is not alone in this respect. For example, before the allocation program took effect, FEO diverted 139,000 barrels of residual oil from our state's largest utility—Florida Power and Light—to the northeast coast. Because this oil had to be replaced at a higher cost, consumers in Florida had to shoulder an additional $600,000 burden. Then, just this last February, Florida Power and Light's inventory was reduced by 45% of predicted needs while many other utilities across the country experienced cutbacks ranging from 10 to 20 percent. Yet, Florida's demand for oil to generate electricity is surpassed only by New York which has three times the population. Since January 1973 utility bills for half the state's population have increased on the average of 27 percent. Many other utilities in Florida, however, are faring much worse.

Like many cities, Florida's rapid growth has created special hardships. Since 1972, gasoline consumption has been increasing 10% annually and Florida's car-to-people ratio now approaches 60 percent—the highest of any of the largest states. During 1973, Florida's consumption of gasoline rose 12%. This was the largest of any state in the nation. Florida is now the fastest growing large state in the union, with between 4,000 and 8,000 newcomers deciding each week to make Florida their permanent home. Since 1972, nearly half a million new residents have migrated to Florida. Yet, because of this tremendous growth, gasoline deficits in Florida have been magnified by an additional 10 and 20 percent beyond the announced 1972 shortfall.

Public transportation is dismally inadequate in Florida. Only two passenger train lines service the entire state. Furthermore, tentative data indicates that Florida's transit system accounts for approximately 1.2 percent of total person trips while private cars account for 69 percent of total person trips.

Finally, since the energy crisis began, 11 companies, representing 815 potential jobs for Florida citizens, have postponed or cancelled plans for expanding into Florida.

Because of statistics like these, I have taken or proposed the following measures: Last

month, I introduced legislation that would provide increased gasoline allocations to states that show increases in unemployment of 0.5 percent or more as a direct result of the energy crisis. I have supported—and will continue to support—the provision in the Emergency Energy Act which provides up to $500 million in special unemployment benefits to those affected by the energy shortage. Likewise, I was an original sponsor of S. 2760, a bill which would amend the Small Business Act to provide for loans to those small businesses adversely affected by the energy shortage. Within the week, I intend to introduce my own bills to help fund public transportation and to change Florida's allocation fraction so as to adjust for our rapid growth. I have also urged Energy Administrator William Simon to create a tourist advisory committee and to appoint a tourist specialist within FEO.

The plight of the American city—made even more evident with the coming of the energy crisis—has encouraged all of us in the United States Senate to throw our active support behind the Federal Energy Office's conservation plans, the shift towards mass transportation, the development of alternative energy sources, and many other projects. These hearings will aid those efforts and hopefully pave the way for lasting solutions to the problems we face.

TOURISM AND ITS IMPACT ON THE U.S. ECONOMY

(A fact sheet prepared by Senator EDWARD J. GURNEY)

Preface: The data for this synopsis have been gleaned from four major sources, including a $20,000 study commissioned by the FEO from the consulting firm of Booz, Allen and Hamilton, Inc., the National Tourism Resources Review Commission, the U.S. Travel Service, and the United States Travel Data Center.

1. Estimates of the magnitude of the Leisure-Recreation Industry range from $61 billion to $125 billion per year. This variation is largely due to the differences in definitions of the industry. As defined in the Booz-Allen study, the Leisure-Recreation industry consists of the following non-conclusive categories: home activities, local non-sport activities, local sport activities, spectator sports, winter sports, water sports, camping, hunting, fishing and other outdoor sports, traveling, resorts, second homes, and recreational vehicles and others. Among these categories, the "Tourist" industry is generally singled out as those activities taking place away from home and requiring a modicum of traveling.

2. According to the Booz-Allen study, the Leisure-Recreational industry accounted for $100 billion in personal expenditures in 1972. The U.S. Travel Service estimated that the "Tourist" industry contributed approximately $61 billion to the U.S. economy in 1972.

3. The National Tourism Resources Review Commission has concluded that ". . . of all retail activities, tourism would be second only to grocery sales if it could be classified as a single retail activity."

4. Tourism is among the top three industries in nearly 46 states—and the leading industry in such states as Hawaii, Florida and Nevada.

5. Foreign tourism in the United States represents $3.2 billion in foreign exchange and supports 222,000 jobs. These foreign earnings ranked tourism as one of the nation's leading export items in 1972, larger than exports of iron and steel ($826 million), wheat ($1.4 billion), textiles ($1.4 billion) or electrical machinery ($2.5 billion).

6. The average individual has a large percentage of hours during the year available for leisure activities—some 25 to 30 percent. Most leisure hours are spent in the home (60%–70%) while approximately 10% to 20% are consumed as vacation hours.

7. The Booz-Allen study estimates that 7 to 10 million people are employed in the Leisure-Recreation industry. This represents approximately 10% to 15% of the total labor force.

8. The automobile is by far the most common code of transportation for Leisure-Recreational activities. Data indicate that for nearly every state, 80% to 95% of all visitors arrived by car. For vacation trips over 100 miles, 91.3% of those trips are made by automobile.

9. However, despite heavy dependence on the automobile, the car is not principally used for leisure purposes. Only one-third of all driving is Leisure-Recreational related. Only 10% of Leisure-Recreational activity is related to vacation trips.

10. American vacations by automobile account for only 2.6% of all household automobile mileage and consume only 2% of consumer gasoline supplies. The overwhelming use of cars in the U.S. is not for vacations, but for daily commuting to and from work—equaling 61% of automobile mileage per household. International tourists account for less than one-half of one percent of U.S. consumer gasoline usage.

11. The typical auto trip to and from work transports only 1.4 persons, while vacation trips more fully utilize auto capacity by carrying 3.3 persons on the average.

12. Data incorporated within the Booz-Allen study suggests that among three categories—(1) total leisure travel revenues, (2) the ratio of leisure travel revenues to gross state product, and (3) the total person-nights of leisure travel—Florida, "which appears in all three lists, is particularly sensitive to any loss of travel revenue." Florida was the only state to appear in all three categories. Reflecting 1972 statistics, Florida was first in total leisure expenditures, second in total person-nights of leisure travel, and fourth in the ratio of leisure revenues to gross state product.

THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, it has been argued by opponents of the Genocide Convention that the treaty serves no useful purpose. I disagree.

The fact is that our continuing failure to ratify this treaty is a handicap to us in our dealings with other countries, particularly in international forums such as the United Nations. During any kind of negotiation or debate in these organizations, no matter how sincerely we argue in favor of human rights and freedom, our opponents have a ready-made vehicle with which to challenge that sincerity: the fact that the United States, alone among the major Western Powers, has failed to take a firm stand against genocide. In fact, former Ambassador Yost made just this point in 1970 during the Foreign Relations Committee hearings on the treaty.

Mr. President, this treaty was first submitted to the Senate by President Truman in 1949. I urge my colleagues to think about that. It has been a full quarter century since we have had that treaty—a full generation has grown to manhood in that time. It is imperative that we act now.

HOUSING AND COMMUNITY DEVELOPMENT ACT

Mr. McGOVERN. Mr. President, I want to congratulate the Senate Banking, Housing, and Urban Affairs Committee for its persistence, hard work, and dedication in bringing to the Senate floor an excellent housing and community development bill. May I pay special tribute to the chairman of that committee, Senator JOHN SPARKMAN, for his patience and determination. Few understand as clearly as my distinguished colleague from Alabama the need to maintain a Federal presence in housing. This bill, S. 3066, represents such a perceptive understanding. The ill-housed of America owe Senator SPARKMAN and the entire committee a debt of gratitude.

We also owe special thanks to my distinguished colleague from the State of Maine, Senator WILLIAM HATHAWAY. Senator HATHAWAY has done yeoman's work on behalf of the special needs and concerns of rural America. I know I speak for many of my colleagues from States with a high percentage of rural people, when I express my own deep appreciation for his exceptional service on this legislation.

This Nation, through the Congress, has committed itself to providing a decent home for all of our people. That commitment has been renewed periodically in 1937, 1949, 1954, and in 1968. Though it has been thwarted by the administration, I believe that commitment still exists. And we can reassert it by acting responsibility now.

Millions of Americans still live in substandard housing, without proper sewage, clean water, or proper heating. And rural America, with only 30 percent of the country's population, has 44 percent of its poverty and over 50 percent of its substandard housing.

These statistics, while only percentages, represent families who live in one room, children who drink polluted water, Indian families living in abandoned car bodies, or older citzens who, after contributing to the economic growth of our country, are then denied a decent place to live out their final years.

I hope that America never loses its capacity for compassion and concern. I hope that we in the Congress will lead the way, by providing the tools that are so essential to eliminate substandard housing.

Bad housing is to be deplored wherever it exists. Overcoming bad housing conditions in rural areas has proven to require a different set of tools than are presently used in urban areas. Rural areas are more thinly populated. They have fewer institutions, public and private; a smaller construction industry; a limited number of entrepreneurs—or developers—to use the public and private programs which may be available.

It is for these reasons that the Farmers Home Administration and its programs are so well suited to rural areas. The FHA has offices in almost every rural county in the country staffed by people who can deal directly with those in need. Direct financing and counseling are also available.

But while the FHA has made important contributions in efforts to eliminate substandard housing in rural areas, it is limited by programmatic and administrative considerations. It is not possible

under present programs for the FHA to serve the housing needs of lower-income families. In 1972, $6,400 was the median income level of families receiving indirect subsidy under the section 502 homeownership program. While this may not seem a high average income, we must be aware that eligibility for interest credit is limited to those with incomes of $7,000 or less.

Therefore, if we are to keep our promise of a decent home for all rural families, and if we are to make homeownership a possibility, then new methods, new programs, and new concepts must be used.

Recent statistics indicate a slowing of migration from rural areas. This is a hopeful trend. It can be solidified by providing, among other things, opportunities for homeownership for all income levels in rural areas. There is a history of homeownership in small towns and the countryside. It should be preserved and encouraged. Homeownership can be a cornerstone in maintaining stability and encouraging development in those parts of our country, and in ending this wasteful migration from rural areas to overcrowded urban areas.

Mr. President, we have an opportunity to provide the FHA with the ability to serve a broader section of the rural population more effectively. I understand the Senator from Maine will offer an amendment to test the practicality of using a deep subsidy program for homeownership. The percentage limits imposed by the amendment are indeed modest in view of the 4 million families in rural America who lack decent homes. And it does no more than simply permit low-income rural people to receive the homeownership benefits that are now available to many others.

Mr. President, I am proud to associate myself with Senator HATHAWAY's amendment. I urge its adoption as a rededication of the congressional commitment to rebuild rural America.

THE ECONOMIC STABILIZATION ACT

Mr. DOMENICI. Mr. President, I am sorry that the amendment offered this week by my distinguished colleague, Senator BUCKLEY, to repeal the Economic Stabilization Act, failed. I voted against tabling his amendment because I think it is imperative that we act now to repeal this act. I have no reservations regarding the good intentions of Congress in enacting this legislation, nor do I question the sincerity of the administration in attempting to accomplish the purposes of this act. Their purposes, as I understand them, were to combat inflation, protect low-income consumers, and prevent further deterioration of the dollar internationally. Unfortunately, these purposes have not been accomplished despite good intentions and herculean efforts on the part of many individuals and several agencies, including the Economic Stabilization Board and the Cost of Living Council.

For a time it appeared that the Administration would be able to control inflation effectively under the provisions of the Economic Stabilization Act. Inflation was held to an acceptable level of 3 percent in 1971 and 1972. But, as the lessons of economic history should have impressed upon us, this level of artificially low inflation administered by wage and price controls would, and did, cause serious economic dislocations and diseconomies which surfaced in 1973. Indeed, it is a curious method of protection for the low-income consumer to insure the eventual nonavailability of many items by controlling their prices at artificially low levels.

The problems with subsequent phases of the Economic Stabilization Act were that everyone was waiting around for another exemption or exception. Everybody was waiting for the next phase. Therefore, I think that even the standby provision for enacting controls is a mistake. It may be that after we give the free marketplace a chance to recover from the past 3 years of controls, we will find in some special areas that we need some guidelines administered. I am genuinely concerned about the inflationary spiral that is eating away at the earnings of every working man and woman in this country. I realize that we may see some pretty dramatic rises in prices when controls are gone. But we may also stop seeing spot shortages of vital goods and we may see true free market stabilization once again.

The inevitable pressures of deferred inflation have caused an 8.8-percent rise in the Consumer Price Index over the past 12 months. Many economists are predicting inflation in the double figures this year. And the Wholesale Price Index jump of 3½ percent for January alone could presage this kind of inflation.

If these predictions are well founded, should we now extend the Economic Stabilization Act and risk shortages and rationing due to administered prices which are below true market price levels? This appears to be the crux of the matter—the hard choice we now face. Every country which has instituted wage and price controls has had to face this hard choice and without exception these countries have had difficulties no matter what choices they have made. We now must make this hard choice and we should make it with the lessons of economic history always in mind. As Santayana so sagely observed long ago, those who do not know history are condemned to repeat it.

The plain truth of the matter is that there is a true price, determined by the law of supply and demand, for every good or commodity. While it is certainly legitimate for Government to take the necessary action to prevent the administration of artificially high prices through promotion and protection of competition, it most certainly is not legitimate for Government to administer artificially low prices through actions such as those taken under the Economic Stabilization Act. It would be hard enough to face up to this fact without the added pressures of the international devaluations of the dollar which occurred during the effective period of the Economic Stabilization Act.

Domestic price controls coupled with this devaluation encouraged exports of vital goods, chemicals, fuels, and fertilizer, at a time when domestic demand was strong and unsatiated. Examples of these dislocations—baler wire, fertilizer, tubular steel for drilling, and so forth—come to our attention constantly. Enough is enough.

Knowing full well this is no easy choice for us to make, let us now scrap these controls which have failed to accomplish their stated purposes and have brought us to this sad point in our economic history.

I understand that the Banking, Housing, and Urban Affairs Committee of the Senate is now working on the Economic Stabilization Act. I devoutly hope that we will not forget the lessons that this experiment with controls has so painfully taught us—there is a true price which must be paid if goods are to be available for consumption. As dependent as we are upon imported raw materials, and as dependent as the rest of the world has become upon our food production, we must decide to pay true world prices for goods and materials if we wish to be able to purchase them and to be able to sell our products, in turn, for true prices in the world market. Repeal of the Economic Stabilization Act will serve as notice that we have begun to face this hard fact.

THE OLD POST OFFICE

Mr. HARTKE. Mr. President, 2 years ago I urged my colleagues to pay special attention to the Old Post Office here in the District of Columbia. It is a marvelous piece of architecture whose very existence is a most tenuous affair.

There are some planners who think that the Federal Triangle will never be complete unless the Old Post Office is torn down and replaced with a marble and glass palace. Other planners, however, realize that which is outstanding architecture is not necessarily that which is new. Recently, a proposal has been put forward to turn the Old Post Office into a "people's place" with cafes, restaurants, shops, boutiques, arts, and crafts workshops, small cinemas and theaters, exhibits, and festivities. Before the fate of this building is sealed, this sort of dynamic proposal should be explored fully.

Mr. President, I ask unanimous consent that an article and an editorial from the Washington Post on this subject be printed in the RECORD.

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

HOUSING ARTS AMIDST CAFES AND EIGHT TIERS OF AUDIENCE

(By Sarah Booth Conroy)

The Old Post Office at 12th and Pennsylvania Avenue, under sentence of demolition for almost half a century, would be transformed into a national arts center in time for the Bicentennial under a plan drawn up by the architectural staff of the National Endowment for the Arts.

"If everything moves smartly, we could celebrate the Bicentennial in its nine-story, glass-roofed interior court—complete with cafes, trees, craftsmen, dancers, actors and eight balconies of audience," said architecture department head Bill Lacy yesterday.

The plan, which Lacy says would restore a space capable of making "heads snap back," provides for performances, exhibitions and offices for arts organizations in the mammoth Romanesque Revival structure. The report, drawn up by Lacy for Arts Endowment chairman Nancy Hanks, has now gone to the General Services Administration.

"I am extremely enthusiastic about the plan," GSA Administrator Arthur F. Sampson said yesterday. "We are now preparing a prospectus for the Office of Management and Budget to be finished by mid-month. After they have evaluated it, the plan goes to the Congressional Public Works Committee for approval. Then the projects would be included in the GSA appropriations. I will go to the Hill myself to testify for the very imaginative plan."

The cost is estimated at $12 million.

The Arts Endowment is proposing a "mixed uses" after-hours program for the building, which could inspire multiple uses of federal buildings across the country.

The endowment would be the prime tenant for the building and supervise the architectural design. The 87,000 square feet of office space will be used by the Arts Endowment, perhaps the National Endowment for the Humanities and federal agencies concerned with historic preservation.

The 18,000 square feet of performance and exhibit space would include:

Office/meeting space for local groups from the D.C. Bicentennial Commission to black dance and drama groups; performance spaces for chamber music, poetry readings and experimental theater; a central ticket office for citywide cultural events; restaurants; shops selling American furnishings, fabrics, graphic art and Indian crafts in sort of a national design center; studios for craftsmen-in-residence; a winter home for the Summer in the Parks program of the Interior Department; monumental exhibit space; flag displays and even "a carillon in the tower for concerts on national holidays and during the rush hours."

The cost figures out to about $32.50 per square foot, far under the estimated cost of tearing the building down and putting up a new one with fewer amenities.

The building's 5-foot-thick solid Maine gray granite walls are ornamented with arches, columns, carved spandrels, capitals, turrets, bays and a 315-foot-high clock tower. The 99- by 184-foot interior court rises to a glass roof 196 feet high.

"It seems so dramatic because we aren't accustomed to that sort of immense vertical interior space in Washington," Lacy said. For years the glass roof has been covered over with a metal roofing.

Until 1934, the structure included the offices of Postmasters General. Currently the FBI is a major tenant.

The Old Post Office was designed by Willoughby J. Edbrooke and is the only example of Romanesque Revival architecture left in Washingon, Ironically, the Columbia Exposition of 1893 brought a change of fashion from the romantic to the neo-classical style. And building techniques using steel outmoded the structure's solid masonry construction. Thus the building was considered passe by the time it was completed in 1899.

* * * * *

There have been previous proposals for use of the Old Post Office. Among past suggestions were architect Arthur Cotton Moore's 1971 plan for a center to include shops, theaters, restaurants and a 450-room hotel and another similar plan by architect John Wiebenson.

Last June, GSA also proposed that a leasehold in the building be transferred to the D.C. government for a multi-use center.

The present plan would keep the building on the federal rolls.

A PEOPLE'S PALACE ON PENNSYLVANIA AVENUE

With luck and a bit of doing we may still be dancing some in that grand "cortile," or glass-roofed inner court of the Old Post Office on Pennsylvania Avenue. The marvelous Romanesque granite pile has long been doomed to demolition because it doesn't conform to the classic monotony of the Federal Triangle. But now Nancy Hanks of the National Endowment for the Arts has put in her bid for the structure and that may save not only a fine old building, but the whole idea of revitalizing Pennsylvania Avenue.

The National Endowment would, of course, use only a part of the nine-story building for its offices. The far larger part would be converted into a sort of peoples' palace with cafés, restaurants, shops, boutiques, arts and crafts workshops, small cinemas and theaters, exhibits and festivities where people from all over the country would display and market the products of their indigenous culinary, musical and artistic skills and craftsmanship. "We'll have eight balconies of audience," said Bill Lacy, the Endowment's architecture and environment man, who has drawn up the preliminary plans. He refers to the eight stories of Romanesque arcades which enclose the "cortile." They make it one of the most thrilling architectural spaces in Washington. Few people know about it because the FBI is one of the current tenants of the Old Post Office and requires special entrance passes.

If Miss Hanks has her way, this center of American folk art, fun and relaxation, will attract many of the millions of tourists who now rarely venture beyond the Mall. They will bring life and cash to the avenue and much of downtown, and thus help to give the renovation of the avenue a purpose beyond making it a more dignified setting for inaugural parades. "This won't be yet another federal thing sitting on Pennsylvania Avenue," is how Nancy Hanks put it.

Arthur F. Sampson, the administrator of the General Services Administration, which is in charge of the building, says he is "extremely enthusiastic about the plan." Under a new program to preserve old federal buildings, Sampson has recently transferred a similar Romanesque court building in St. Paul and a French Empire post office in St. Louis to community use.

But Congress, and particularly the Public Works Committees which must recommend a $12 million expenditure for the conversion of the Pennsylvania Avenue building, will want to be assured of more than Mr. Sampson's enthusiasm. We therefore urge the Mayor and city council, as well as Washington's citizen organizations, such as the Board of Trade, the D.C. Bicentennial Commission, our various arts and cultural organizations and historic preservationists to speak up loud and clear in support of what we consider perhaps the most promising bicentennial project so far advanced.

A CHECKLIST FOR SENIOR CITIZEN TAXPAYERS

Mr. MUSKIE. Mr. President, many of the older Americans who will file Federal income tax returns in 1974 are faced with the danger of overpaying their taxes. Hearings conducted by the Senate Special Committee on Aging show that perhaps one-half of all the elderly may be paying more taxes than the law requires.

The Committee on Aging has prepared a checklist to help older Americans prepare their tax returns if they itemize deductions. The list is not exhaustive, but includes many of the charges which can be deducted but which are sometimes overlooked. This list can be useful not only to the elderly but also to taxpayers of all ages.

The committee has also prepared a description of other tax relief measures available to older Americans.

To help taxpayers preparing their Federal income tax returns, Mr. President, I ask unanimous consent that these two documents be printed in the RECORD.

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

CHECKLIST OF ITEMIZED DEDUCTIONS FOR SCHEDULE A (FORM 1040)

MEDICAL AND DENTAL EXPENSES

Medical and dental expenses are deductible to the extent that they exceed 3% of a taxpayer's adjusted gross income (line 15, Form 1040).

INSURANCE PREMIUMS

One-half of medical, hospital or health insurance premiums are deductible (up to $150) without regard to the 3% limitation for other medical expenses. The remainder of these premiums can be deducted, but is subject to the 3% rule.

DRUGS AND MEDICINES

Included in medical expenses (subject to 3% rule) but only to extent exceeding 1% of adjusted gross income (line 15, Form 1040).

OTHER MEDICAL EXPENSES

Other allowable medical and dental expense (subject to 3% limitation):

Abdominal supports.
Ambulance hire.
Anesthetist.
Arch supports.
Artificial limbs and teeth.
Back supports.
Braces.
Capital expenditures for medical purposes (e.g., elevator for persons with a heart ailment)—deductible to the extent that the cost of the capital expenditure exceeds the increase in value to your home because of the capital expenditure. Taxpayer should have an independent appraisal made to reflect clearly the increase in value.
Cardiographs.
Chiropodist.
Chiropractor.
Christian Science practitioner, authorized.
Convalescent home (for medical treatment only).
Crutches.
Dental services (e.g., cleaning teeth, X-rays, filling teeth).
Dentures.
Dermatologist.
Eyeglasses.
Gynecologist.
Hearing aids and batteries.
Hospital expenses.
Insulin treatment.
Invalid chair.
Lab tests.
Lip reading lessons (designed to overcome a handicap).
Neurologist.
Nursing services (for medical care).
Ophthalmologist.
Optician.
Optometrist.
Oral surgery.
Osteopath, licensed.
Pediatrician.
Physical examinations.
Physician.
Physiotherapist.
Podiatrist.
Psychiatrist.
Psychoanalyst.
Psychologist.
Psychotherapy.

Radium Therapy.
Sacroiliac belt.
Seeing-eye dog and maintenance.
Splints.
Supplementary Medical Insurance (Part B) under Medicare.
Surgeon.
Transportation expenses for medical purposes (6¢ per mile plus parking and tolls or actual fares for taxi, buses, etc.)
Vaccines.
Vitamins prescribed by a doctor (but not taken as a food supplement or to preserve general health).
Wheelchairs.
Whirlpool baths for medical purposes.
X-rays.

TAXES

Real estate.
State and local gasoline.
General sales.
State and local income.
Personal property.

If sales tax tables are used in arriving at your deduction, you may add to the amount shown in the tax tables only the sales tax paid on the purchase of 5 classes of items: automobiles, airplanes, boats, mobile homes and materials used to build a new home when you are your own contractor.

When using the sales tax tables, add to your adjusted gross income any nontaxable income (e.g., Social Security or Railroad Retirement Annuities).

CONTRIBUTIONS

In general, contributions may be deducted up to 50 percent of your adjusted gross income (line 15, Form 1040). However, contributions to certain private nonprofit foundations, veterans organizations, or fraternal societies are limited to 20 percent of adjusted gross income.

Cash contributions to qualified organizations for (1) religious, charitable, scientific, literary or educational purposes, (2) prevention of cruelty to children or animals, or (3) Federal, state or local governmental units (tuition for children attending parochial schools is not deductible). Fair market value of property (e.g. clothing, books, equipment, furniture) for charitable purposes. (For gifts of appreciated property, special rules apply. Contact local IRS office.)

Travel expenses (actual or 6¢ per mile plus parking and tolls) for charitable purposes (may not deduct insurance or depreciation in either case).

Cost and upkeep of uniforms used in charitable activities (e.g., scoutmaster).

Purchase of goods or tickets from charitable organizations (excess of amount paid over the fair market value of the goods or services).

Out-of-pocket expenses (e.g. postage, stationery, phone calls) while rendering services for charitable organizations.

Care of unrelated student in taxpayer's home under a written agreement with a qualifying organization (deduction is limited to $50 per month).

INTEREST

Home mortgage.
Auto loan.
Installment purchases (television, washer, dryer, etc.).
Bank credit card—can deduct the finance charge as interest if no part is for service charges or loan fees, credit investigation reports. If classified as service charge, may still deduct 6 percent of the average monthly balance (average monthly balance equals the total of the unpaid balances for all 12 months, divided by 12) limited to the portion of the total fee or service charge allocable to the year.
Points—deductible as interest by buyer where financing agreement provides that they are to be paid for use of lender's money. Not deductible if points represent charges for services rendered by the lending institution (e.g. VA loan points are service charges and are not deductible as interest). Not deductible if paid by seller (are treated as selling expenses and represent a reduction of amount realized).
Penalty for prepayment of a mortgage—deductible as interest.
Revolving charge accounts—may deduct the "finance charge" if the charges are based on your unpaid balance and computed monthly.

CASUALTY OR THEFT LOSSES

Casualty (e.g. tornado, flood, storm, fire, or auto accident provided not caused by a willful act or willful negligence) or theft losses to nonbusiness property—the amount of your casualty loss deduction is generally the lesser of (1) the decrease in fair market value of the property as a result of the casualty, or (2) your adjusted basis in the property. This amount must be further reduced by any insurance or other recovery, and, in the case of property held for personal use, by the $100 limitation. You may use Form 4684 for computing your personal casualty loss.

CHILD AND DISABLED DEPENDENT CARE EXPENSES

The deduction for child dependent care expenses for employment related purposes has been expanded substantially. Now a taxpayer who maintains a household may claim a deduction for employment-related expenses incurred in obtaining care for a (1) dependent who is under 15, (2) physically or mentally disabled dependent, or (3) disabled spouse. The maximum allowable deduction is $400 a month ($4,800 a year). As a general rule, employment-related expenses are deductible only if incurred for services for a qualifying individual in the taxpayer's household. However, an exception exists for child care expenses (as distinguished from a disabled dependent or a disabled spouse). In this case, expenses outside the household (e.g., day care expenditures) are deductible, but the maximum deduction is $200 per month for one child, $300 per month for 2 children, and $400 per month for 3 or more children.

When a taxpayer's adjusted gross income (line 15, Form 1040) exceeds $18,000, his deduction is reduced by $1 for each $2 of income above this amount. For further information about child and dependent care deductions, see Publication 503, Child Care and Disabled Dependent Care, available free at Internal Revenue offices.

MISCELLANEOUS

Alimony and separate maintenance (periodic payments).
Appraisal fees for casualty loss or to determine the fair market value of charitable contributions.
Campaign contributions (up to $100 for joint returns and $50 for single persons).
Union dues.
Cost of preparation of income tax return.
Cost of tools for employee (depreciated over the useful life of the tools).
Dues for Chamber of Commerce (if as a business expense).
Rental cost of a safe-deposit box for income producing property.
Fees paid to investment counselors.
Subscriptions to business publications.
Telephone and postage in connection with investments.
Uniforms required for employment and not generally wearable off the job.
Maintenance of uniforms required for employment.
Special safety apparel (e.g., steel toe safety shoes or helmets worn by construction workers; special masks worn by welders).
Business entertainment expenses.
Business gift expenses not exceeding $25 per recipient.
Employment agency fees for securing employment.
Cost of a periodic physical examination if required by employer.
Cost of installation and maintenance of a telephone required by the taxpayer's employment (deduction based on business use).
Cost of bond if required for employment.
Expenses of an office in your home if employment requires it.
Payments made by a teacher to a substitute.
Educational expenses required by your employer to maintain your position or for maintaining or sharpening your skills for your employment.

Political Campaign Contributions: Taxpayers may now claim either a deduction (line 33, Schedule A, Form 1040) or a credit (line 52, Form 1040), for campaign contributions to an individual who is a candidate for nomination or election to any Federal, State or local office in any primary, general or special election. The deduction or credit is also applicable for any (1) committee supporting a candidate for Federal, State, or local elective public office, (2) national committee of a national political party, (3) state committee of a national political party, or (4) local committee of a national political party. The maximum deduction is $50 ($100 for couples filing jointly). The amount of the tax credit is one-half of the political contribution, with a $12.50 ceiling ($25 for couples filing jointly).

Presidential Election Campaign Fund: Additionally, taxpayers may voluntarily earmark $1 of their taxes ($2 on joint returns) to help defray the costs of the 1976 presidential election campaign. If you failed to earmark $1 of your 1972 taxes ($2 on joint returns) to help defray the cost of the 1976 presidential election campaign, you may do so in the space provided above the signature line on your 1973 tax return.

For any questions concerning any of these items, contact your local IRS office. You may also obtain helpful publications and additional forms by contacting your local IRS office.

OTHER TAX RELIEF MEASURES FOR OLDER AMERICANS

Required to file a tax return if gross income is at least—

Filing status:	
Single (under age 65)	$2,050
Single (age 65 or older)	2,800
Married couple (both spouses under 65) filing jointly	2,800
Married couple (1 spouse 65 or older) filing jointly	3,550
Married couple (both spouses 65 or older) filing jointly	4,300
Married filing separately	750

Additional Personal Exemption for Age: In addition to the regular $750 exemption allowed a taxpayer, a husband and wife who are 65 or older on the last day of the taxable year are each entitled to an additional exemption of $750 because of age. You are considered 65 on the day before your 65th birthday. Thus, if your 65th birthday is on January 1, 1974, you will be entitled to the additional $750 personal exemption because of age for your 1973 Federal income tax return.

Multiple Support Agreement: In general, a person may be claimed as a dependent of another taxpayer, provided five tests are met: (1) Support, (2) Gross Income, (3) Member of Household or Relationship, (4) Citizenship, and (5) Separate Return. But in some cases, two or more individuals provide support for an individual, and no one has contributed more than half the person's support.

However, it still may be possible for one of the individuals to be entitled to a $750

dependency deduction if the following requirements are met for multiple support:

1. Two or more persons—any one of whom could claim the person as a dependent if it were not for the support test—together contribute more than half of the dependent's support.

2. Any one of those who individually contribute more than 10 percent of the mutual dependent's support, *but only one of them,* may claim the dependency deduction.

3. Each of the others must file a written statement that he will not claim the dependency deduction for that year. The statement must be filed with the income tax return of the person who claims the dependency deduction. Form 2120 (Multiple Support Declaration) may be used for this purpose.

Sale of Personal Residence by Elderly Taxpayers: A taxpayer may elect to exclude from gross income part, or, under certain circumstances, all of the gain from the sale of his personal residence, provided:

1. He was 65 or older before the date of the sale, and

2. He owned and occupied the property as his personal residence for a period totaling at least five years within the eight-year period ending on the date of the sale.

Taxpayers meeting these two requirements may elect to exclude the entire gain from gross income if the adjusted sales price of their residence is $20,000 or less. (This election can only be made once during a taxpayer's lifetime.) If the adjusted sales price exceeds $20,000, an election may be made to exclude part of the gain based on a ratio of $20,000 over the adjusted sales price of the residence. Form 2119 (Sale or Exchange of Personal Residence) is helpful in determining what gain, if any, may be excluded by an elderly taxpayer when he sells his home.

Additionally, a taxpayer may elect to defer reporting the gain on the sale of his personal residence if within one year before or one year after the sale he buys and occupies another residence, the cost of which equals or exceeds the adjusted sales price of the old residence. Additional time is allowed if (1) you construct the new residence or (2) you were on active duty in the U.S. Armed Forces. Publication 523 (Tax Information on Selling Your Home) may also be helpful.

Retirement Income Credit: To qualify for the retirement income credit, you must (a) be a U.S. citizen or resident, (b) have received earned income in excess of $600 in each of any 10 calendar years before 1973, and (c) have certain types of qualifying "retirement income". Five types of income—pensions, annuities, interest, and dividends included on line 15, Form 1040, and gross rents from Schedule E, Part II, column (b)—qualify for the retirement income credit.

The credit is 15 percent of the lesser of:

1. A taxpayer's qualifying retirement income, or

2. $1,524 ($2,286 for a joint return where both taxpayers are 65 or older) minus the total of nontaxable pensions (such as Social Security benefits or Railroad Retirement annuities) and earned income (depending upon the taxpayer's age and the amount of any earnings he may have).

If the taxpayer is under 62 he must reduce the $1,524 figure by the amount of earned income in excess of $900. For persons at least 62 years old but less than 72, this amount is reduced by one-half of the earned income in excess of $1,200 up to $1,700 plus the total amount over $1,700. Persons 72 and over are not subject to the earned income limitation.

Schedule R is used for taxpayers who claim the retirement income credit.

The Internal Revenue Service will also compute the retirement income credit for a taxpayer if he has requested that IRS compute his tax and he answers the questions for Columns A and B and completes lines 2 and 5 on Schedule R—relating to the amount of his Social Security benefits, Railroad Retirement annuities, earned income, and qualifying retirement income (pensions, annuities, interest, dividends, and rents). The taxpayer should also write "RIC" on line 17, Form 1040.

THE INTERNATIONAL ACADEMY OF PREVENTIVE MEDICINE

Mr. TOWER. Mr. President, I would like to call the attention of my colleagues to a most significant event taking place in our Nation's capital this week.

The International Academy of Preventive Medicine, which has its headquarters in Houston, Tex., is observing "International Preventive Medicine Week" with an educational seminar in Washington. Foreign Ministers of Health from nations throughout the world are here this week conducting open discussions about preventive medical measures between physicians, dentists, and all health-related professions. The different medical and health-related disciplines, and the various needs of representative nations are being considered.

The International Academy of Preventive Medicine is a professional organization dedicated to the principles of holistic medicine and the highest ideals of the prevention of disease and the preservation of total health of peoples throughout the world. Their objectives are broad in scope and principle, covering community medicine, epidemiology health, international health, health services administrations, maternal health, child health, applied nutrition and clinical preventive medicine, in the belief that keeping patients healthy is preferable to crisis diagnosis and treatment.

I know that each of my colleagues would want to join me in commending the Academy and its members for their efforts in this important area, and inviting them to report to us individually and collectively on their conclusions and suggestions for improvement of our health care delivery system to focus urgently needed attention on the preventive measures necessary and available for the preservation of our total health.

RESTRICTING THE USE OF COMPUTERIZED CRIMINAL JUSTICE INFORMATION

Mr. ERVIN. Mr. President, for some time I have been expressing my concern about the threat that the computer poses to individual liberties and privacy. The potential uses for the manmade genius cannot be understated, and neither can our responsibility to answer and resolve the many fundamental questions that that potential raises.

One of the most obvious threats the computer poses to privacy comes in its ability to collect, store, and disseminate information without any subjective concern for human emotion and fallability. Yesterday the Senate Subcommittee on Constitutional Rights, which I chair, opened hearings into legislation designed to restrict the use of criminal justice information. This legislation is all the more necessary in light of the recent trend toward the computerization of such information so as to make it readily available to any agency or anybody who happens to have access to a given criminal justice data bank.

As I mentioned in my opening statement before the subcommittee, this legislation raises five basic questions with respect to the rights of the individual. First, should incomplete or inaccurate records be allowed to circulate among criminal justice agencies or outside of the criminal justice system? Second, what types of information collected by criminal justice agencies should be available to outside agencies, such as commercial establishments? Third, what types of remedies should be available to the individual whose privacy is threatened by improper use of such information systems? Fourth, what special restrictions should be applied to criminal intelligence information, which is the most sensitive of all types of criminal justice information? And finally, who should control the criminal justice information systems affected by this legislation?

The General Accounting Office has noted both in a special report to the subcommittee and in an earlier report issued in January of 1973 that some of these basic questions have not been carefully considered by the Department of Justice. The GAO report further raises questions concerning the worth of the interstate system as compared with its cost. According to the most recent GAO report—

> The cost to develop and operate the criminal history exchange system has not been determined and problems related to the system's operational effectiveness have not been resolved.

To quote the report further—

> The most consistent opinion expressed by local police at all organizational levels is that criminal history is not vital prior to an arrest.

It is certainly not my place to determine the needs of law enforcement. Hopefully these hearings will answer the many questions that have been raised, and will result in legislation that will allow law enforcement officials the latitude they need to perform their vital function while affording the greatest amount of protection possible to the privacy of the individual.

I ask unanimous consent that my opening statement be printed in the RECORD along with the two reports of the General Accounting Office concerning Federal and State computerized criminal history information systems.

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

OPENING STATEMENT OF SENATOR SAM J. ERVIN, JR.

(Subcommittee on Constitutional Rights, Hearings on Criminal Justice Data Banks and Privacy, Tuesday, March 5, 1974)

The Subcommittee on Constitutional Rights opens hearings today on federal legislation to protect the privacy and reputations of persons whose names appear in criminal justice data banks. These hearings are a continuation of the Subcommittee's study of the general question of governmental data

banks, records and information policy and their impact on the freedom and integrity of Americans. As I stated upon introduction of S. 2963, the "Criminal Justice Information Control and Protection of Privacy Act of 1974," I see the controversies surrounding the establishment of criminal justice data banks as a microcosm of the general controversy about governmental data banks and the invasion of privacy. So I hope that in attempting to understand and resolve the issues that confront us in the development of workable criminal justice data bank legislation, we will be taking the first steps toward the development of a comprehensive policy on all data banks and the protection of personal privacy.

These hearings are opening in the midst of a growing bipartisan consensus in the Congress and in the Executive Branch on the importance of developing safeguards for the protection of privacy. That consensus began to appear in January when the President announced in his State of the Union address that he viewed the protection of privacy as a major component in his program for the coming year. His announcement was followed closely with the introduction on February 5th of S. 2964 by my friend the Senior Senator from Nebraska, on behalf of the Administration. I am a cosponsor of that bill as is a broadly representative group of our colleagues. On the same day I along with Senator Hruska and many of the other cosponsors of his bill, introduced S. 2963, a bill which I have been working on for the past year. Both bills address the subject of the Subcommittee's hearings, the collection and dissemination of routine law enforcement information and law enforcement intelligence.

Another significant sign of this developing consensus on the question of personal privacy is the two bills themselves. The Justice Department and I did not collaborate or communicate on these projects during the months they were in preparation. Yet to everyone's surprise the two bills, though different in some significant respects, are essentially alike in approach. Just to highlight that fact I would like to introduce at this point in the Subcommittee record a comparison prepared by the Subcommittee staff.

(Not supplied for the RECORD).

In light of this, I feel quite optimistic that Congress will enact legislation on criminal justice data banks within the year. However, I also recognize that legislation as complex, controversial and important as that represented by these two bills will not be enacted if this spirit of accommodation and bipartisanship is not preserved. In that regard I pledge to representatives of state, federal and local law enforcement agencies who are going to be so profoundly affected by this legislation that while my questioning and that of my colleagues and the staff may be rigorous, it will not be hostile. The purpose of these hearings is not to expose so-called law enforcement abuses to the public but to learn how law enforcement agencies collect, use and disseminate information covered by this legislation. For if the Congress does not understand it will legislate in a vacuum and risk shackling those courageous men who are on the streets preserving law and order. I want to emphasize this point to the representatives of the Federal Bureau of Investigation which I consider to be the most professional and competent law enforcement agency in the world.

In that regard I would like to reiterate what I have said on many occasions since the introduction of S. 2963 on February 5th. Neither I nor any of my colleagues who joined me in that bill are wedded to every provision. We have made this proposal for the purpose of provoking discussion, as a focus or stepping off point for representatives of law enforcement agencies, and other witnesses. So while I recognize that many of the provisions of this bill and S. 2964 may have unintended effects upon law enforcement, I encourage law enforcement representatives to come before the Subcommittee in the same spirit that we have come. Indeed some of the provisions of my bill, especially those regarding criminal justice intelligence have been drawn deliberately to be provocative. I hope that law enforcement witnesses will not simply criticize such provisions but come forward with alternative language and suggestions for meeting the objectives of S. 2963 and S. 2964.

While we want to avoid any unnecessary impediments to proper and enlightened law enforcement, at the same time the need is clear that strong action must be taken to protect the privacy of American citizens. These systems are too dangerous to leave unguarded. I see no reason why we cannot come to a proper balance between rights of citizens and needs of law enforcement. That, after all, is the pattern of our constitutional system.

I am not going to summarize the historical background of the subcommittee's interest in the question of criminal justice data banks for I believe I covered that in sufficient detail in my statement upon introduction of S. 2963. Therefore I ask unanimous consent that that statement be inserted in the record at the conclusion of my opening statement.

I would like to concentrate today on several questions or issues which I had in mind as I worked on this legislation, problem areas which I believe we should use to evaluate these bills and the testimony before the Subcommittee.

In setting out these issues I will attempt to illustrate each problem with actual cases. I think it will be useful in evaluating testimony and legislative proposals to ask whether the witness or the proposed legislation has adequately resolved the issues and whether the incident would have been avoided. I might make a caveat at this point. All of the incidents or cases I am about to describe have been brought to the attention of the Subcommittee. However, we have not verified all of them nor can we absolutely vouch for their accuracy. But I am convinced that under existing rules and regulations, or lack thereof, these incidents are not only plausible but likely.

The first general issue or problem area concerns the quality and accuracy of information which should be allowed to circulate in the criminal justice data systems, whether or not those data systems are computerized. To be more specific, should incomplete or dated records, such as a record of an arrest without any indication of disposition, be allowed to circulate between law enforcement agencies or outside the law enforcement community? The President specifically mentioned this problem in his privacy message last week. Should records which resulted in acquittal or dismissal of charges be freely disseminated?

I have two cases which illustrate this problem area. The first involved a young man who had filed suit against a large metropolitan police department for harassment growing out of an arrest record. He was arrested while a senior in high school. A few months later he was acquitted of a robbery charge because of an apparent case of mistaken identity. He is now a college student and a National Merit Scholarship winner. According to his court complaint, on at least three occasions police have shown his photographs in neighborhoods where crimes have been committed, seeking to have him identified as the criminal in some new crime. Each time this has been done, his family and acquaintances have been interrogated anew.

The second case involves a man named Brian who was arrested as a public nuisance in 1970 and was tried and acquitted in 1971. Later he was arrested in California for possession of marijuana; the charges were dismissed. Two years later he was hired by a firm installing alarm systems in banks. The local police in the city where his employer was based did a security check with the FBI at the request of the employer and was informed of the man's arrests but not of the dispositions. This information was reported to the employer who fired Brian, but the employer told Brian that he would rehire him "if the record could be cleared up in the future."

Both of these incidents might have been prevented if there had been a ban on dissemination of incomplete records, or if there was a procedure for sealing or purging certain incomplete records or records which resulted in an acquittal or if there were accuracy and updating standards, and if these subjects had a statutory right to see and challenge their records. All of those proposals are contained in S. 2963 and S. 2964 in one form or another.

Of course the second of the cases which I have recited, the case involving the young man who was fired for having an arrest record, suggests an even more fundamental problem. What type of information should be available from police files to non-law enforcement agencies, especially commercial establishments? Two other cases illustrate this problem. The first involves a school teacher in California. Not long ago this man was walking near one of the subway stations of the new Bay Area Transit System (BART). He noticed a lot of television cameras surrounding a man whom he later recognized to be the Secretary of Transportation, Mr. Claude Brinegar. The man approached Secretary Brinegar and asked, "Excuse me, sir, could you tell me if you think the President should be impeached?" Mr. Brinegar made no comment, ignored the man, and suddenly the man was seized by four BART policemen and placed under arrest. The man was later turned over to the city police, fingerprinted, and charged with assaulting a cabinet member as well as a number of misdemeanor assault and resisting arrest charges. At the arraignment the Judge suggested that the prosecutor drop all charges and questioned why the prosecutor brought such an unwarranted case in the first place. At the trial the prosecutor announced that the charges were being dropped because of insufficient evidence. The gentleman has sued BART for false arrest but in the course of developing the suit discovered that the State Board of Education had been informed of the arrest and was reviewing his case to decide whether to suspend his teaching credentials. The man assumes that at least one set of fingerprints was circulated to the Board of Education.

Under my bill only conviction records can be released to non-criminal justice agencies and then only to such agencies and persons as are specifically authorized by state or federal statute. S. 2964 is a bit looser on this point. In certain circumstances, arrest records without dispositions could be disseminated outside the criminal justice community. However, this is no simple issue. For example, if we completely cut this information off to persons outside the criminal justice community, we may inappropriately shroud crime and law enforcement agencies in a blanket of secrecy. Should the press be allowed to view a police blotter to determine who has been arrested, or to determine whether a candidate for office has ever been tried for a crime? How will the press be able to determine whether a local prosecutor has been corruptly dropping charges against organized criminals if there is no way for them to find out whether certain individuals have ever been arrested or charged with crimes and, if so, the disposition?

It will not be easy to develop the proper

balance between the public's right to know how the police and the courts function on the one hand and the individual's right to privacy on the other. But I hope that the press will not over-react and see this legislation as an attack on freedom of the press. I, for one, believe that privacy and the free press are compatible and I have sought to protect the press' rights wherever I can.

A third problem concerns the types of civil remedies which should be available to a citizen to enforce the dissemination rules set out in federal legislation or regulations issued pursuant thereto. Should a citizen be able to enjoin a law enforcement agency from violating the statute, or are criminal penalties sufficient? Should agencies which operate data banks and their employees be civilly liable for damages if information is disseminated in violation of the statute?

Two cases which have come to my attention suggest the necessity of the remedies which have been included in both S. 2963 and S. 2964. In the first case a man was arrested and adjudged guilty but his record was expunged under a state expungement statute. However, he had been fingerprinted at the time of this arrest and his arrest record had been sent to the FBI's fingerprint file where it was available to police and certain non-law enforcement agencies all across the country. After the defendant got the expungement order, he attempted to get his rap sheet returned from the Bureau. A letter from Director Kelley responded that FBI policy states that records can only be returned if the reporting agency so requests. The police department involved would not request return of the records despite the state statute. Therefore, the record is being disseminated in violation of the state statute.

An even more disturbing case which illustrates the need for some type of effective civil remedy involves a service station operator who was arrested on a charge of maintaining and operating a gambling premise. The charge was dropped later when it was determined that the man was unaware of one of his employees running a numbers game in the busy service station. The man became obsessed with the idea of having an arrest record; he had worked hard all of his life and had never been in trouble before. He talked to many people about it, seeking advice. A lawyer told him to forget it because the legal proceedings would be too costly. He finally mentioned his problem to a friend on the county police force, who suggested that he write the county state's attorney stating all the facts. In a week or so he was advised that for a fee of $750 the record could be expunged.

A fourth problem area concerns the collection and dissemination of intelligence or investigative files. These are files on individuals by law enforcement agencies which are non-public record in nature. They usually contain a considerable amount of very sensitive information, a great deal of which may be hearsay and conjecture. If we are going to propose restrictions upon the use of routine public record information such as arrest records, it is absolutely essential that we address the collection and dissemination of this much more embarrassing and sensitive information. We will hear from representatives of agencies which have computerized files or indexes of intelligence information on persons. Other agencies have automated files on investigative reports.

Some agencies have automated files on the modus operandi used in burglary cases. This gives the agency the capability of asking the computer for a list of persons who enter houses in a particular manner. However, should a man be listed in such a computer unless he has actually been convicted of such a crime or at least arrested and prosecuted?

It is not enough that we rely simply on assurances that these intelligence and investigative reports will not be abused. The time is long since past for that. Before we permit computerization of this data, we must require rules to protect privacy at least as sophisticated as the ones we now propose for record information.

One final concern is probably the most difficult and important one which the Subcommittee and the Congress must address. That is, who shall control and operate the manual and automated data systems covered by this legislation. Shall the law enforcement agencies themselves or an outside independent board make policy? On the federal level, should policy and regulation issued under this legislation be the exclusive responsibility of the FBI or the Attorney General or should the states have an equal voice? This whole problem has been pointed up by the experience of Massachusetts in the past few years. We will hear from Governor Sargent today who has attempted to implement his state's new arrest records statute and at the same time participate in federal information exchange programs such as NCIC and rap sheet exchange program operated by the Bureau.

I am sure Governor Sargent is going to describe to the Subcommittee how he and his administration began to restrict access to law enforcement files only to be faced by a number of law suits not only by private users but also by the federal government. The Small Business Administration threatened to cut off almost $30,000,000 in federal funds to Massachusetts if it was not permitted access to police files. The Defense Department threatened to freeze 2,400 defense-related jobs in Massachusetts for the same reason. The Justice Department also sued the state for access to police files. In effect, the federal government was attempting to undermine the legitimate efforts of the people of Massachusetts to protect their own privacy. It is hard to imagine a more classic example of the case for states rights.

The automated arrest record exchange systems from the very beginning have placed a significant strain on federal-state relations. When Project SEARCH attempted its prototype computerized interstate exchange of arrest records in 1970, the data system was established as a purely state venture. All of the computerized files were to be maintained on a decentralized state-by-state basis. Therefore, each state could control access to its own files. However, when the FBI took over control of the SEARCH prototype in 1971, the Bureau announced that many of these files would be maintained in the Bureau in Washington.

There have also been troublesome questions about whether the FBI should be able to impose operational security and privacy regulations upon the states without the states having an opportunity to influence the development of those regulations. For example, how can a state like Massachusetts insure that information which it will contribute to the federal data bank will be used by other states in a manner consistent with the Massachusetts statute?

My legislation attempts to resolve these problems. First, it would give precedence to state statutes or regulations which are more stringent than the federal statute or regulations. However, even more important than this provision is Title III of my bill which establishes a comprehensive federal-state administrative structure. This would ensure a sharing of policy and operational authority between the federal government and the states in this most difficult area. Because these systems involve more than just Justice Department interests, but those of the states, other federal agencies, and ordinary citizens as well, we need an administrative structure that recognizes this diversity. Law enforcement is a local business. Privacy is a matter of the rights of individuals. Title III seeks to recognize these interests. It is a problem which cannot be ignored.

I know that this question and the proposals contained in Title III of the bill are the most difficult but perhaps the most important which the Subcommittee and the Congress must face in the development of criminal justice data bank legislation. However, I am struck by the fact that no one on the federal level has ever seriously considered and resolved this problem. I would like to introduce at this point in the Subcommittee record a report prepared last week by the General Accounting Office that bears directly upon this controversy.

I was surprised to learn in reading the GAO report that the Office of Management and Budget considered the question of control and content of a federal criminal justice data bank before the Attorney General made his decision in 1970 but that the Attorney General apparently ignored OMB's recommendations. OMB's recommendations are not unlike what I suggest in Title III. OMB suggested that any federally-run interstate criminal justice data bank should be decentralized and subject to the policy control of an independent board which reports directly to the Attorney General, composed of representatives of all components of the criminal justice system. OMB proposed that membership on the board be structured so that the States have an equal voice with the federal government in recommending policies. The fact is that LEAA and the FBI were not informed of OMB's recommendations and these proposals were never seriously considered in the establishment of the NCIC/CCH system. Judging from the positive response to Title III of S. 2963 by several of my colleagues, especially my friend, the Senior Senator from South Carolina, and by several witnesses who will testify in the hearings, there is considerable support for this proposal in the Congress and in the state governments.

Another fundamental issue is also raised by this GAO report, and was the subject of an earlier one of January 1973. This is whether these data programs have been properly evaluated in terms of their cost, their development, and their usefulness. In the words of the 1973 report:

"The cost to develop and operate the criminal history exchange system has not been determined and problems related to the system's operational effectiveness have not been resolved. No one has determined what a fully operational system will cost. Therefore, the participants cannot determine whether they will be able, or willing, to meet the financial requirements of developing and operating the system. Although the reporting of arrest and disposition data within the States is known to be incomplete, neither LEAA nor the FBI has insured that all information entered into the system is complete. About half the States do not have laws requiring that arrests and dispositions be reported to central State identification units."

The most recent GAO report raises this issue again. According to GAO no data is available either from NCIC or the original SEARCH experiment indicating exactly how this information is being used by local police. It is my understanding that it is not even clear that police need CCH on an instantaneous basis prior to arrest. According to GAO:

"Data is not available at the national level to indicate for what purpose State and local criminal justice agencies use CCH information. The CCH system can identify the control agency terminals making inquiries to the system, but not the agencies within the State making requests of the control terminals. The States, however, would have such data. Moreover, there is no way to determine,

from the computerized printouts, the purposes of inquiries."

GAO goes on to quote from the original evaluation of SEARCH:

"The observation of local police use of the system was not realized; therefore, this portion of the findings come from detailed interviews and not from operational experience. The most consistent opinion expressed by local police at all organizational levels is that criminal history is not vital prior to an arrest."

In conclusion, I should like to emphasize the ultimate question we must ask ourselves and the witnesses who appear before the Subcommittee: What should be the national policy on an exchange of criminal justice information and who should make that policy? Perhaps Judge Gerhard Gessell stated it most effectively in the case of *Menard v. Mitchell*, in which the FBI's huge rap sheet dissemination was halted by a court order. Judge Gessell asked whether anyone, the Bureau, the Congress, or the local police departments, had effective control of this information exchange.

To illustrate this point, I would like to cite one last case. Several months ago a young man was arrested by a local police department on a traffic charge. At first, he was told he could pay a $15 fine and would be released. But then an officer told him he could not leave because the Marines "had a hold on him." A detective then showed him a copy of a computer printout listing someone with the same name as AWOL from the Marines and a deserter. This young man was not AWOL or a deserter from the Marines because he was not even a Marine. The arrest occurred more than a month after the young man had become a civilian and his discharge papers attested to this. The assistant police chief said that the police were not to blame for the arrests (this had not been his first arrest) because they were only following the computer's instructions.

If local police are blindly following instructions from some faceless computer, we are indeed in real trouble. The answer to Judge Gessell's question is that no one is in control of these data systems. I fear that this is unfortunately the case. But I hope that these hearings will suggest to the Subcommittee and the Congress a method for creating a statutory scheme which will bring some order and control out of the chaos.

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, D.C.

To the President of the Senate and the Speaker of the House of Representatives:

This is our report entitled "Development of a Nationwide Criminal Data Exchange System—Need to Determine Cost and Improve Reporting." Federal participation in this program is administered by the Department of Justice.

We made our review pursuant to the Budget and Accounting Act, 1921 (31 U.S.C. 53), and the Accounting and Auditing Act of 1950 (31 U.S.C. 67).

Copies of the report are being sent to the Director, Office of Management and Budget, and to the Attorney General.

ELMER B. STAATS,
Comptroller General of the United States.

DEVELOPMENT OF A NATIONWIDE CRIMINAL DATA EXCHANGE SYSTEM—NEED TO DETERMINE COST AND IMPROVE REPORTING

WHY THE REVIEW WAS MADE

A fully operating computerized criminal history exchange system will enable law enforcement agencies, courts, and correctional institutions to determine, in seconds, whether an individual has a criminal record. If he has, the system will provide information on the nature and number of arrests, the related charges, their disposition by the courts, and any time spent in prison.

This will be accomplished through a nationwide computerized system linking criminal justice agencies with the Federal Bureau of Investigation (FBI) and with each other.

The Law Enforcement Assistance Administration (LEAA), Department of Justice, awarded grants totaling about $4 million for developing a prototype of such a system and to enable 20 States to participate when it became operational. Substantial additional funds will be required by Federal, State, and local governments before the system can become fully operational in all 50 States.

The General Accounting Office (GAO) made this review to find out how the system's development was progressing and how much a fully operational system would cost.

FINDINGS AND CONCLUSIONS

A 2-year project demonstrated that it is practicable to exchange criminal history data between the States by a computerized system. The FBI is operating a limited criminal history exchange system. (See pp. 3 to 6.)

Statements by LEAA and State officials indicate that a fully operational exchange system could cost at least $100 million. But the cost to develop a fully operational system has not been determined. (See p. 7.) Therefore Federal, State, and local governments cannot determine whether they will be able, or willing, to meet the financial requirements of developing and operating the system.

Law enforcement agencies, courts, and correctional institutions are not reporting all arrest and disposition data to the State agencies which enter such data into the system. Until they do, system users have no assurance that the data they receive is complete or accurate. (See p. 9.)

RECOMMENDATIONS

Before authorizing substantial additional expenditures, the Attorney General should require that:

Either the FBI or LEAA determine the total cost of developing and operating the criminal history exchange system so that the participants can decide whether they are able, or willing, to meet the system's financial requirements.

The FBI and LEAA implement a program for improving the reporting of arrests and dispositions by law enforcement agencies, courts, and correctional institutions to the State agencies which enter such data into the national system.

AGENCY ACTIONS AND UNRESOLVED ISSUES

The Department of Justice agreed with GAO's recommendations and said that it was taking action to accomplish their objectives. (See app. I.)

These actions should provide cost data and should improve the reporting of arrest and disposition data; however, they do not go far enough to insure reliable cost estimates or complete and current reporting.

Cost data will be collected only as part of a comprehensive data systems program which does not require that each State participate or that specific cost estimates be developed for determining criminal history change costs. Because LEAA requires mandatory reporting only by those States participating in the comprehensive data systems program, a State not participating could develop a criminal history exchange system without accomplishing mandatory reporting.

MATTERS FOR CONSIDERATION BY THE CONGRESS

The report is submitted to the Congress because Federal funds will be used for further development of the criminal history exchange system.

CHAPTER 1

Introduction

In examining Law Enforcement Assistance Administration (LEAA), Department of Justice, grants for criminal justice information systems, the General Accounting Office (GAO) reviewed the prototype System for Electronic Analysis and Retrieval of Criminal Histories (Project SEARCH). Project SEARCH was largely an experiment in the interstate exchange of criminal histories of offenders; it was funded under title I, part C, of the Omnibus Crime Control and Safe Streets Act of 1968, as amended (42 U.S.C. 3701).

Development of the system

As of June 30, 1972, LEAA had awarded about $4 million to Project SEARCH for developing a prototype criminal history exchange system and to enable 20 States to participate when the system became operational. Substantial additional funds will be required by Federal, State, and local governments before the system can become fully operational in all 50 States.

Project SEARCH began in July 1969 as a 14-month project to (1) establish and demonstrate the feasibility of a computerized system for the interstate exchange of criminal histories and (2) design and demonstrate a computerized statistics system. At the time our fieldwork was completed, 15 States were participating in the criminal history exchange project.[1]

The criminal history exchange system, as envisioned by Project SEARCH, was to enable criminal justice agencies—law enforcement agencies, courts, and correctional institutions—to obtain, in seconds, information on offenders. The criminal justice agency would obtain information by making an inquiry on a "user terminal." The inquiry would be transmitted through the State computer to a central computer index. The central index, to be maintained by a designated agency and containing a brief index of all persons in the system, would then electronically tell the inquiring agency whether a criminal record existed for the individual in question and, if so, from what State detailed information could be obtained. Without such a system, it would take days or weeks to obtain this data, if it could be obtained at all.

The system was to have been demonstrated during July and August 1970; however, to gain more experience and to give States which had recently joined the project a chance to participate, the demonstration period was continued until June 30, 1971.

The system adopted by the SEARCH project group and tested during the demonstration period used detailed criminal history records maintained and controlled by the individual participating States and certain identification and summary data maintained in a central index accessible by all States. When an inquiry was received, the central index (temporarily maintained by Michigan) responded with (1) personal descriptors and identifying numbers, (2) an abbreviated criminal profile, and (3) the name of the State holding the full criminal record. The inquiring agency then had direct access through its State computer and the central index to the desired file in the State holding the record. The information in this file was then electronically transmitted to the inquiring agency through the central index and the inquiring agency's State computer.

Operation of the system

The National Crime Information Center (NCIC) of the Federal Bureau of Investigation (FBI) has maintained, since 1967, computerized national files on wanted per-

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[1] Arizona, California, Colorado, Connecticut, Florida, Illinois, Maryland, Michigan, Minnesota, New Jersey, New York, Ohio, Pennsylvania, Texas, and Washington. (After our fieldwork was completed, Arkansas, Georgia, Massachusetts, Nebraska, and Utah also joined the project.)

sons and certain stolen articles. The NCIC network consists of 102 law enforcement control terminals, which make information in the files available to all 50 States within seconds.

In 1967 NCIC recognized that a computerized criminal history file would be a logical part of a nationwide criminal justice information system. NCIC's stated goal was to provide a national index of criminal justice information and communication lines linking NCIC and the national index with a central State computer in each State. However, NCIC initially emphasized developing and implementing a system that would provide information only on wanted persons and certain stolen articles. After the SEARCH project group demonstrated the feasibility of a criminal history exchange system, the Attorney General in December 1970 authorized the FBI to manage the exchange system. In November 1971 the FBI began operating, through NCIC, a limited version of this system.

Since the FBI assumed management responsibility, LEAA has continued to assist States to participate in the system. Under NCIC, the system has also been changed, at least temporarily, from a system of State maintained and controlled files linked by a central index to a system in which the NCIC central index maintains all information provided by the States. According to an NCIC officials, this change was necessary because the present NCIC communication lines could not handle the requirements of transmitting detailed criminal histories from one State to another.

NCIC, under its criminal history exchange system, maintains a central index containing more detailed information than would have been contained in the central index under the system adopted by the SEARCH project group. Except as noted below, NCIC will maintain all criminal history information and answer all inquiries directly.

NCIC maintains detailed history records of all Federal, multi-State, and single-State offenders whose records have been placed in the system. According to FBI officials, when the system is fully developed, NCIC will maintain detailed history records of multi-State and Federal offenders but only a summary record of single-State offenders.

The summary records will contain personal identification and descriptive data for an arrested individual; the number of times arrested and the number of charges and convictions for each type of offense; and the last arrest, court, and custody status. The detailed criminal history records will include (1) personal identification and descriptive data, (2) complete information on each arrest, the charges for each arrest, and the disposition of each charge, (3) complete information on each count entered in court, the disposition of each count, and any appeal, and (4) information on the custody status of an individual and any change in that status, such as parole.

Under NCIC's system, all record entries, clearances, and modifications, other than for Federal offenders, are to be made through the States; hence the States will control all input to the system, other than for Federal offenders. Each entry must be supported by a criminal fingerprint card processed by the State making the entry. Processing involves an analysis of the card to come up with a 20-character fingerprint profile of the offender. Therefore a State will not be able to enter criminal records into the system until it has an identification unit capable of processing such cards.

Scope of review

Our review was made at Project SEARCH headquarters in California and at FBI and LEAA headquarters in Washington, D.C. We reviewed documentation developed by the Project SEARCH group, LEAA, and the FBI on developing the criminal history exchange system. We also interviewed officials of LEAA, the FBI, Project SEARCH, and several States.

After work to develop the system began, additional tasks were assigned to the Project SEARCH group. These included determining the feasibility of transmitting fingerprint images and other information by communications satellite, enhancing the development of automatic fingerprint comparison, analyzing the requirements of State identification bureaus, initiating the development of a standardized crime-reporting system, and developing a prototype system for the interstate exchange of organized crime intelligence information. Our review concentrated on the project's major task—developing a computerized criminal history exchange system.

CHAPTER 2

Need for cost information and improved input to system

The cost to develop and operate the criminal history exchange system has not been determined and problems related to the system's operational effectiveness have not been resolved. No one has determined what a fully operational system will cost. Therefore the participants cannot determine whether they will be able, or willing, to meet the financial requirements of developing and operating the system. Although the reporting of arrest and disposition data within the States is known to be incomplete, neither LEAA nor the FBI has insured that all information entered into the system is complete. About half the States do not have laws requiring that arrests and dispositions be reported to central State identification units.

Without an accurate forecast of all system costs and a plan for insuring the completeness of reporting, the Federal Government is entering into an open-end commitment; it has no assurance that the participants will be able to meet the financial requirements of the system or that the system will provide complete and accurate criminal history information.

Need for estimate of total cost

As of June 30, 1972, LEAA had awarded to Project SEARCH grants totaling about $4 million for developing a prototype criminal history exchange system and to enable 20 States to participate when the system became operational. For fiscal year 1972, the FBI budgeted $1.3 million and LEAA budgeted $3 million for expanding the system during 1972.

Despite the substantial Federal funds already committed to this system and a greater funding commitment expected in the future, LEAA and NCIC officials told us that neither agency had estimated the total cost of a fully operational system. According to statements by LEAA and State officials, a fully operational system could cost at least $100 million.

To participate, each State will need the necessary hardware, software, personnel, and intrastate communication lines, as well as the ability to convert arrest and disposition data to the standardized NCIC format and to identify fingerprints and maintain fingerprint cards for offenders whose records will be included. The States, assisted by LEAA, will pay these costs. Law enforcement agencies, courts, and correctional institutions within each State will also incur costs to obtain and maintain user terminals for querying the system. About 6,500 user terminals are on the NCIC network and have access to NCIC data. NCIC estimates that about 45,000 user terminals will be added to the system when it is fully operational. Although LEAA and NCIC have already spent several million dollars on developing and operating the tsystem, only four States had entered records in the system as of September 1972.

An NCIC official told us that most of NCIC's future costs will be incurred in upgrading communication lines that link NCIC with the States in the system. Accordingly, NCIC has started a study to determine these costs.

LEAA expects to provide funds to enable the States to participate in the system through block and discretionary grants. LEAA block grants, awarded under title I, part C, of the Omnibus Crime Control and State Streets Act of 1968, as amended, are allocated among the States according to their respective populations. The individual States decide how much of their block grants to use for a given purpose, such as the criminal history exchange system. Under the act LEAA also awards discretionary grants in response to specific State applications.

In May 1972 LEAA allocated about $12 million of fiscal year 1972 discretionary grant funds to initiate a comprehensive data systems program intended to finance the development of criminal justice statistics programs in the States. To receive funding under the comprehensive data systems program, a State must submit a plan for implementing a five-part program. One of these parts is the establishment of a criminal information system that will track offenders passing through the criminal justice system and also provide criminal history exchange capability. Each State will decide whether to participate in the comprehensive data systems program.

According to an LEAA official, because the FBI manages the criminal history exchange system, it, in conjunction with the States, should make any analysis of the total cost of developing and operating the system.

In a paper delivered at the national symposium on criminal justice systems, the Commissioner of Florida's Department of Law Enforcement said that he was:

"* * * not sure that we are in a position to justify the cost involved to implement a criminal history exchange system on an operational basis * * *.

* * * we must determine the value of criminal history information in relation to the cost * * *."

He acknowledged the limitations in performing a meaningful in-depth cost-benefit analysis but recommended that LEAA develop a "white paper" to serve as the first phase of such an analysis.

A cost-benefit analysis, an LEAA official told us, would be inappropriate because of the many intangible benefits to be derived from the system. We believe, however, that sound financial management of a project of this magnitude requires at least an estimate of the costs of the project. Otherwise neither the sponsoring Federal agencies nor the Congress can determine whether they will be able or willing to meet the financial requirements of the system. Further, the intent of title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, is that State and local governments will assume project costs after a reasonable period of Federal assistance. For this reason it is vital that State and local governments have the information necessary to determine whether they can finance the development and continued operation of the system.

Need for improved reporting of arrest and disposition data

A criminal history exchange system is valuable because it provides criminal justice agencies—law enforcement agencies, courts, and correctional institutions—with complete, accurate, and timely information on all offenders. Under the NCIC system, criminal justice agencies must report arrests and dispositions within each State to the State's central identification unit which maintains and controls State criminal records and supplies the data for the national files. Accord-

ing to the Department, only 24 States had laws requiring that criminal justice agencies report arrests and dispositions to a central identification unit.

An August 1969 to July 1970 LEAA survey showed that many arrests and their dispositions were not reported by criminal justice agencies to their State identification units, as shown below:

Transaction	Number of States by percent of completeness of arrest and disposition reporting to State identification units [1]		
	More than 90 percent	65 to 90 percent	Less than 65 percent
Arrests	11	20	18
Dispositions	7	11	31

[1] State did not provide information on arrests; another State did not provide information on dispositions.

Only four States had achieved more than 90-percent reporting for both arrests and dispositions which means that, in each of these four States, over 90 percent of the arrests and over 90 percent of the dispositions were reported to a State indentification unit. Of the 15 States participating in Project SEARCH at the time our fieldwork was completed, only five had more than 90-percent arrest reporting and only four had more than 90-percent disposition reporting. According to our July and August 1971 survey of the 15 States participating in Project SEARCH, although some improvements had been made, reporting was still incomplete.

Until such reporting is improved, the exchange system cannot be fully effective. System users must be certain that they are aware of all of an offender's prior arrests and their dispositions. Otherwise, the users may face time-consuming investigations to determine whether all prior arrests have been reported and the outcome of arrests reported.

An LEAA official agreed that the system would not be fully effective if reporting was incomplete. He told us, however, that the system should be part into operation and that arrest and disposition reporting problems could be worked out later. He said that the Project SEARCH group had developed a model State act which, if adopted by individual State legislatures, would improve reporting in those States.

An NCIC official made essentially the same comments. He said that, when the criminal history exchange system was in full operation, NCIC would be able to provide participating States with periodic lists showing reported arrests for which disposition data was missing. These lists would make the States aware of deficiencies in disposition reporting and would encourage improvements.

To put a system into operation without first insuring that the information it will process is complete will result in a system that maintains and provides incomplete data to system users. The value of the system to law enforcement or court officials will be diminished if they cannot rely on the completeness of the record they are using. When decisions are being made to set bail, impose sentence, or grant parole, the offender's record should present an accurate and complete history of arrests and dispositions.

The model State legislation formulated by the Project SEARCH group is a step in the right direction. The model act, however, deals primarily with security and privacy. Although it may enhance State efficiency in maintaining offender records, it does not specifically address the problem of arrest and disposition reporting.

Our survey and that of LEAA show that the States are well aware of their reporting problems. An NCIC list would aid the States in improving the completeness of records, but it is no solution because it will not insure that the file is accurate or complete at all times and will have no effect on preventing the dissemination of information on an arrest for which a disposition has not been obtained. The failure to restrict dissemination of data on an arrest for which a disposition has not been obtained is a serious system deficiency because it permits dissemination of arrest information without showing whether a person was convicted or found innocent. According to the Department, NCIC did not have procedures to remove an arrest entry which was not followed by a related disposition entry. The Department recognized that restricting the dissemination of such data may be required by future legislation or other mandate but said that NCIC had no definite plans along this line.

CHAPTER 3.—CONCLUSIONS AND RECOMMENDATIONS

The computerized criminal history exchange system may provide intangible benefits which would make a cost-benefit analysis difficult. We believe, however, that sound financial management of a project of this magnitude requires at least an estimate of total project costs. Otherwise the participants cannot determine whether they will be able or willing to meet the financial requirements of developing and operating the system.

The incompleteness of arrest and disposition reporting is also a system deficiency. Until all criminal justice agencies are providing the required data on arrests and their dispositions, system users will have no assurance that the criminal history data they receive is complete or accurate.

Recommendations to the Attorney General

We recommend that, before authorizing any substantial additional expenditures for the system, the Attorney General require that:

Either the FBI or LEAA determine the total cost of developing and operating the criminal history exchange system so that the participants can decide whether they are able, or willing, to meet the system's financial requirements.

The FBI and LEAA implement a program for improving the reporting of arrests and dispositions by law enforcement agencies, courts, and correctional institutions to State agencies which enter such data into the national system.

Agency comments and GAO evaluation

The Department of Justice agreed with GAO's recommendations and said that it was taking action to accomplish their objectives. (See app. I.) According to the Department:

LEAA has started a program which requires each State to submit a comprehensive data system plan to LEAA as a prerequisite to LEAA funding of data systems under the program. The States are required to estimate in the plan the total cost of their criminal history systems plus the required incremental cost to be supported by the Federal Government.

LEAA, under its comprehensive data system program, will not fund data systems in States which do not require mandatory reporting when the States' systems become operational.

The FBI is continuing to encourage prompt and complete reporting of arrest and disposition data by law enforcement agencies.

The Attorney General, on July 18, 1972, proposed legislation that would place the burden upon the agencies submitting criminal record information to insure accurate, complete, and current information. Present law does not require the States or other governmental entities to report arrest and disposition data.

The Department's actions, if effectively implemented, should provide cost data and should improve arrest and disposition reporting.

It is questionable, however, whether the comprehensive data systems plans will provide an estimate of the total funding that will be required to make the criminal history exchange system fully operational or whether the program will insure accurate, complete, and current reporting. A State may decide not to participate in the comprehensive data systems program and still participate in the criminal history exchange system. As of October 1972 only about half the States had submitted comprehensive data system plans to LEAA. Although these plans contained cost estimates of State participation in the comprehensive data systems program, they did not contain cost analyses to show what costs would be required for the State to develop its State criminal history exchange system.

Although arrest and disposition reporting should improve as a result of LEAA and FBI actions, the comprehensive data systems program requires only that the States insure that mandatory reporting will be accomplished by the time the States' systems become operational. States therefore can avoid or postpone mandatory reporting by not participating in the comprehensive data systems program or by delaying participation.

APPENDIX I

U.S. DEPARTMENT OF JUSTICE,
Washington, D.C., October 24, 1972.

Mr. MAX A. NEUWIRTH,
Associate Director, General Government Division, U.S. General Accounting Office, Washington, D.C.

DEAR MR. NEUWIRTH: This letter is in response to your request for comments on the draft report titled "Development of a Criminal History Exchange System—Need to Determine Cost and Improve Reporting."

We consider the recommendations of the report to be appropriate and well founded. However, both recommendations were overtaken by time, and action has been taken to accomplish the objectives which the report appropriately recommends.

With respect to the recommendation that we determine the total cost of the criminal history exchange system, the substance of the report is based primarily on the work accomplished in developing the Computerized Criminal History System under Project SEARCH (System for Electronic Analysis and Retrieval of Criminal Histories). Since the time the major portion of the work under Project SEARCH was conducted and reported on, the Law Enforcement Assistance Administration (LEAA) has embarked upon the Comprehensive Data Systems (CDS) Program. This program, which contains five parts, incorporates the provision for funding the Computerized Criminal History System, or the Offender Based Transaction Statistics/Computerized Criminal History System (OBTS/CCH) as it is referred to in the CDS Program. In the CDS Program, LEAA is requiring each State to submit a CDS Plan. In this plan, the States are required to estimate their total cost plus the required incremental cost to be supported by the Federal government for each of the five segments. As a result, the 50 CDS Plans will, in the aggregate, provide an estimate of the total dollar amount that will be required for making the OBTS/CCH System operational throughout the United States. These intrastate systems will interface with the Federal Bureau of Investigation's (FBI) National Crime Information Center/Computerized Criminal History (NCIC/CCH) System.

To assure that a State is in a position to meet its funding commitment, we are also asking the Governor, or at the very least the Director of the State Planning Agency, to be the person responsible for approval of the CDS Plan. This approval includes the accept-

ance of long-range funding by the State. Thus the Governor or his direct representative indicates his awareness of the commitment of the State for continuation of the program. This commitment includes funding not only for the OBTS/CCH System but also for the other four parts of the CDS Program.

With respect to determining the cost to make the criminal history exchange system operational, we consider it important to stress the fact that the exchange of criminal histories does not require the development of a separate "system" independent of other essential criminal justice functions as the report seems to infer. The FBI's computerized National Crime Information Center (NCIC), operational since 1967 in the exchange of information concerning wanted persons and stolen property with other law enforcement agencies, already provides a dedicated communications network extending to all 50 States, the District of Columbia and Canada. In addition, computerized systems servicing criminal justice agencies already exist today, funded in whole or in part by the States. These systems have been developed to handle, among other things, the exchange of criminal history data. There are 29 operational computerized State systems already tied directly to NCIC. These systems currently afford immediate NCIC access to approximately 6,000 local agencies having terminal devices in intrastate communications networks.

With respect to the second recommendation, which concerns the implementation of a program for improving the reporting of arrests and dispositions by law enforcement agencies, courts, and correctional institutions, Title 28, United States Code, Section 534, contains no provisions mandating a State or other governmental entity to report arrest and disposition data. However, under date of July 18, 1972, the Attorney General forwarded to the Speaker of the House of Representatives, United States Congress, a legislative proposal to amend Title 28, Section 534, United States Code and provide for the dissemination and use of criminal history information and for other purposes. An important provision of the proposed legislation is that it will place a burden upon the agencies submitting criminal record information to insure that the information is accurate, complete and current.

Without the sanction of law, however, the FBI and LEAA are making every effort to improve the reporting of arrest and disposition data. LEAA's CDS Program requires participating States to develop a comprehensive system with mandatory reporting and rigid quality control standards. Additionally, detailed guidelines have been developed to assist States in the preparation of grant applications for the OBTS/CCH System. In essence, the guidelines provide that for a State to be funded, it must have legislation on the books which requires reporting of judicial and corrections dispositions into the OBTS/CCH System. If the State does not have the wherewithal to fulfill this requirement, in other words, legislation actually on the books, there must be a very high probability that such legislation or an executive order will be in effect by the time the systems development efforts are completed and the system becomes operational. If this is not the case, it is not LEAA's intent to fund either the CDS Program or the OBTS/CCH System. Furthermore, no State will be funded which does not assure the collection of data from every agency at each level of the criminal justice system.

The report suggests that no efforts have been made to increase participation by fingerprint contributors in the reporting of data. On the contrary, the FBI, through their Identification Division and Uniform Crime Reporting Statistical Program, has always urged the prompt and complete submission of such data. Letters dated as recently as June 2, 1971, July 22, 1971, and November 9, 1971, solicited the cooperation of all law enforcement agencies which submit fingerprint cards to the FBI to follow the submission of each arrest card with the reporting of a final disposition. The July 22, 1971 letter also forwarded a revised form for use by the contributors in reporting final dispositions. The November 9, 1971 letter furnished to contributing agencies a redesigned fingerprint card with instructions as to how to handle same so that the Computerized Criminal History Program could be more readily implemented. The instructions emphasized that all information on the revised fingerprint card was essential including the listing of final dispositions.

In connection with the FBI's continuing efforts to encourage the reporting of arrest and disposition data, they have worked closely with and assisted in the passage of resolutions which were adopted in the past year by the National District Attorney's Association, the National Association of Attorneys General and the International Association of Chiefs of Police. Each of these resolutions was aimed at stressing the need for prompt and complete reporting of arrest and disposition data. At a national meeting on August 2, 1972, of the International Association for Identification at Milwaukee, Wisconsin, a resolution was passed encouraging support of enactment of State legislation to mandate the reporting of final disposition data applicable to each arrest to the central file at the State or national level to which the arrest fingerprint card was submitted. Some 24 States now have statutes which provide for the reporting of criminal identification information.

Also, in the numerous schools held for law enforcement personnel in the Washington, D.C. area and throughout the United States in which the FBI's Identification Division function is discussed, the administrators and officers in attendance are told of the absolute necessity for a prompt and complete reporting of all arrest and disposition data.

The body of the draft report contains two statements concerning the FBI's NCIC which are incorrect. (See GAO note.)

The second inaccuracy (See GAO note.) wherein an NCIC official is quoted as stating if an arrest recorded in the (computerized) system is not followed by a related disposition entry within 9 months, the arrest entry will be removed. This is not a procedure utilized in the NCIC Computerized Criminal History Program. There is a possibility that restricting the dissemination of such data may be required by future legislation or other mandate; however, no definite plans by NCIC along this line exist at this time.

We appreciate your providing us the opportunity to furnish comments on the draft report. As requested, one copy of the report is being returned with this response.

Sincerely,

L. M. PELLERZI,
Assistant Attorney General
for Administration.

GAO note: Material detailed referred to matters or page numbers in the draft report which have been revised.

PRINCIPAL OFFICIALS OF THE DEPARTMENT OF JUSTICE RESPONSIBLE FOR THE ADMINISTRATION OF ACTIVITIES DISCUSSED IN THIS REPORT

	Tenure of office	
	From—	To—
Attorney General:		
Richard G. Kleindienst	June 1972	Present.
Richard G. Kleindienst (acting).	March 1972	June 1972.
John N. Mitchell	January 1969	February 1972.
Ramsey Clark	March 1967	January 1969.
Ramsey Clark (acting)	October 1966	March 1967.
Director, Federal Bureau of investigation:		
L. Patrick Gray (acting)	May 1972	Present.
J. Edgar Hoover	May 1924	May 1972.
Administrator, Law Enforcement Assistance Administration:		
Jerris Leonard	May 1971	Present.
Vacant	June 1970	May 1971.
Charles H. Rogovin	March 1969	June 1970.
Patrick V. Murphy (acting)	October 1968	March 1969.

COMPTROLLER GENERAL OF
THE UNITED STATES,
Washington, D.C., March 1, 1974.

Hon. SAM J. ERVIN, Jr.,
Chairman, Subcommittee on Constitutional Rights, Committee on the Judiciary, U.S. Senate.

DEAR MR. CHAIRMAN: Your letter of February 21, 1974, requested that we provide your Subcommittee with information on the development and use of computerized criminal history information. You requested specific information in connection with hearings on legislation to guarantee the security and privacy of criminal history information (S. 2963 and S. 2964).

We have reviewed actions relating to the development of the Federal and State computerized criminal history information systems (CCH). Enclosed are our findings, which may be useful to your Subcommittee during its March hearings. We will provide the other information you requested after the hearings and further discussions with your staff.

Briefly, our findings indicate:

When the Attorney General authorized the Federal Bureau of Investigation (FBI) to operate the CCH system in December 1970, he did not inform the FBI of (1) the extent to which certain criminal history information should have been maintained in Federal rather than State computers or (2) what type of advisory policy board should be established to review the policies and procedures used for CCH. He had, however, received recommendations regarding both matters from the Office of Management and Budget, Executive Office of the President.

In the absence of such direction from the Attorney General, the FBI, with the concurrence of its National Crime Information Center Advisory Policy Board, developed the policy and operating procedures for CCH.

There is some question as to the extent of computerized criminal history information which should be retained in the FBI's computers.

Data is not available to indicate how computerized criminal history information has been used.

Both the FBI and the Law Enforcement Assistance Administration have either funded, or seek to develop, telecommunication system capabilities, to allow State and local criminal justice agencies to exchange administrative messages more effectively. The development of two systems could result in duplication and an unnecessary expenditure of Federal funds. Moreover, the Attorney General has not decided whether the FBI has legal authority to operate such a system.

The principal question which has resulted from our work to date, and which your Subcommittee might wish to pursue in its upcoming hearings, appears to be: What should the national policy be regarding development of computerized criminal history information systems, and to what extent should the various segments of the criminal justice community and appropriate Federal agencies participate in such policy development?

During the hearings the Subcommittee may wish to discuss with the Administration

additional matters noted on pages 6, 8, and 10 of the enclosure.

We did not obtain comments from the Department on this report, but we did discuss the findings with cognizant officials, who generally agreed with the facts.

Sincerely yours,

ELMER B. STAATS,
Comptroller General of the United States.

DEVELOPMENT OF THE COMPUTERIZED CRIMINAL HISTORY INFORMATION SYSTEM

BACKGROUND

A cooperative effort of several States established and demonstrated the feasibility of using a computerized system for the interchange of criminal histories. The States' effort was called the System for Electronic Analysis and Retrieval of Criminal Histories (SEARCH).

The SEARCH project began receiving Federal funds in 1969 from the Law Enforcement Assistance Administration (LEAA) as part of LEAA's effort to encourage States to improve their criminal justice systems. SEARCH was developed on the basis that all computerized criminal history records would be stored in the States and that a central computer would maintain an index of abbreviated summary data on arrested individuals.

On request, a State was furnished this summary—which contained information on the reasons for and number of arrests and convictions—and, if necessary, could query the State listed on the summary as having the individual's records for the detailed information. LEAA gave the States about $4 million to develop and operate SEARCH.

SEARCH proved that it was feasible to use a computerized system for the interchange of criminal histories. The question then facing the Department of Justice was how to make the system operational: Who should operate the system? What computerized criminal history information should be contained at the Federal or at the State level?

The Attorney General's Office, the Federal Bureau of Investigation (FBI), and LEAA discussed the alternatives during the summer of 1970. One concern of LEAA was that the central index might contain too much detailed information, possibly raising the specter of a national computerized data bank. Regarding the extent of information to be contained in the central index, an August 1970 memorandum from the FBI Director to the Attorney General stated:

"* * * no final decision has been made as to the exact details to be included in a national index criminal history record. This can only be done in coordination with the states. This Bureau plans no greater detail in the computerized criminal history record than is presently frequently available in the manually operated criminal identification record function."

Another issue was whether the FBI, LEAA, or the States should operate the system. The Assistant Attorney General for Administration supported the FBI's view that it was experienced in handling criminal information and should operate the system. LEAA basically proposed that it share operating responsibility with the FBI.

Before making any decisions the Attorney General requested the Office of Management and Budget (OMB) to study alternatives for the future organization and operation of SEARCH. On September 3, 1970, the Associate Director of OMB recommended to the Attorney General that:

The FBI operate the SEARCH central index on a limited record-length basis, while the States continue to develop and operate their individual, but compatible, automated criminal history systems.

A strong Policy Control Board be established, which would report directly to the Attorney General, to decide the future development and operations of SEARCH. The Policy Control Board should include high-level officials from the FBI, LEAA, and the States, which should represent all elements of the criminal justice system (police, prosecutors, courts, corrections, and parole). Membership should be structured so that the States have an equal voice with the Federal Government in recommending policies for the future direction of SEARCH.

Planning be initiated to develop an integrated criminal justice system. This would bring together SEARCH and the related FBI activities. The Policy Control Board should be the center of this planning activity.

On December 10, 1970, the Attorney General informed LEAA and the FBI that the FBI would take over management responsibility for a computerized criminal history system. However, we were told that the Attorney General did not follow or advise either LEAA or the FBI of OMB's other recommendations.

The FBI named the system the Computerized Criminal History (CCH) Program and operated it as part of its National Crime Information Center (NCIC), using NCIC computers and communication lines.

OPERATION

Since CCH is part of NCIC, a brief description of the system is useful.

Since the 1920's the FBI has maintained, in a manual central file in Washington, D.C., records of all arrests reported by local law enforcement agencies and has disseminated such information, on request to State and local law enforcement agencies. The arrests are reported to the FBI in fingerprint cards which are put in a file maintained for each arrested individual by fingerprint classification. Information from the fingerprint cards is transferred to a "rap sheet," making it a master list of all reported criminal activity for that particular individual. Disposition data is also supposed to be submitted by the arresting agency or the court on a disposition form and becomes part of the file maintained for each arrested person. Copies of the rap sheet are forwarded to local agencies in reply to requests for information on the particular individual.

The headings of information contained on rap sheets follow:

(1) contributor of fingerprints (usually arresting agency or correctional institution),
(2) individual's name,
(3) date arrested or received (i.e., sent to jail).
(4) nature of charge, and
(5) disposition.

The FBI began operating NCIC in 1967. Its current function is to supply, from a central data bank maintained by the FBI, an almost instantaneous response to inquiries from Federal, State, and local law enforcement agencies regarding fugitives; and stolen vehicles, license plates, securities, boats, guns, and other articles. Terminals at central State locations and at local law enforcement agencies are linked to a central computer, at FBI headquarters, which stores and disseminates this information on request. Other criminal justice agencies in the States can request NCIC information from these control terminals.

NCIC was developed with the assistance of an advisory group composed of State and local law enforcement personnel from agencies that either had computerized systems or were in the advanced planning stages of such systems.

The advisory group was replaced in 1969 by the NCIC Advisory Policy Board. The Board was composed primarily of State and local law enforcement personnel and made recommendations on NCIC policy to the FBI Director. Members were elected by the criminal justice agencies which had computer terminals linked to NCIC—mainly law enforcement, rather than court or correction agencies. The Board obtains some input on how to operate the system from an annual meeting of users of the system.

Because CCH was an integral part of NCIC, the Board governing NCIC made recommendations to the FBI Director regarding CCH's development.

The NCIC Board, however, did not have as broad a composition as that of the board OMB envisioned when it made its September 1970 recommendations to the Attorney General; nor did it report directly to the Attorney General, as OMB had recommended.

In March 1971 the NCIC Board approved the operational concept, security requirements, and record content for the CCH program. The central data bank, as recommended by the Board and as agreed to by the FBI, would no longer merely point inquiries to the State where detailed criminal history informaton could be obtained. Instead, it would contain a detailed criminal history record on each offender whose record was entered by the States into the system. Basically, this detailed criminal history record would contain the information which the FBI had maintained manually on its offender rap sheets. It would consist of information showing the arresting agency, the reason and date of each arrest, and disposition and custody action, when available.

Maintaining the complete detailed record of each offender was to be an interim measure, according to the NCIC Board, because all users would not have the capability to fully participate in the beginning of the system. It would take time for the States to establish identification bureaus and develop fingerprint identification capability, information flow, and computer systems capability.

The ultimate concept of CCH, as envisioned by the Board, is a single-State, multi-State system. For single-State offenders NCIC would maintain only summary data and the States would maintain the detailed records: For multi-State offenders and for Federal offenders, NCIC would maintain the complete record. The summary record would include only the reason for arrests and number of arrests and convictions and specific information on the reasoL, date, and disposition of an offender's latest arrest and the criminal justice agencies involved. FBI studies have shown that about 70 percent of rearrests will be within the same State. Therefore, most detailed records will be for single-State offenders and ultimately maintained at the State level.

The NCIC Board in March 1971 had therefore committed itself to developing an operational system that went beyond the original SEARCH concept in terms of the Federal Government's involvement. The information in the FBI's computers would not be limited to abbreviated summary data for single-State offenders, but would include complete criminal data on each offender until the States could develop fully operational CCH State systems. The FBI endorsed this concept, and the Board stated that the States should have fully operational systems by July 1, 1975.

State participation in CCH, in terms of entering records into the computer, is voluntary. But, any State which complies with the NCIC Board's security and confidentiality requirements can access information in the system.

Because the Attorney General did not follow all of OMB's recommendations, OMB officials held a meeting on April 26, 1971, with Department of Justice, LEAA, and FBI representatives to discuss CCH. Two of the major findings, according to a May 11, 1971, OMB memorandum of the meeting, were that:

Neither the FBI nor LEAA had received

copies of the September 1970 OMB report to the Attorney General.

The FBI was building a central data bank of all criminal records instead of operating a central index as OMB recommended.

On May 13, 1971, the OMB Associate Director reported to the Attorney General that:

The NCIC Board governing CCH had all police representatives instead of representatives from the total criminal justice system, including the courts, corrections, prosecutor, and parole segments, as OMB recommended.

The NCIC computer system's policies limited CCH to police use. OMB intended that the system be used by the total criminal justice system.

The rap sheets used in recording data included data on corrections and courts but those agencies did not have access to that data under the CCH system.

Although authority existed for using statistical data from the system for criminal justice research, no firm commitments existed for making the data available for this purpose.

A September 1973 NCIC Board paper discussed the need for detailed information at the national level, noting that such information:

"* * * is required to efficiently and effectively coordinate the exchange of criminal history among State and Federal jurisdictions and to contend with interstate criminal mobility.

"* * * sufficient data must be stored in the national index to provide all users, particularly those users who do not have the capability to fully participate in the beginning system, the information necessary to meet basic criminal justice needs."

The same paper reiterated that for the system to be a truly national system the States must create fully operational systems by July 1, 1975.

Both FBI and LEAA officials, however, advised us that it is questionable whether many States can meet the July 1975 deadline. The probability exists that, because of the difficulty of developing systems in all the States, the FBI will retain detailed computerized criminal history information on single-State offenders for a substantial period.

In September 1973 the NCIC Board recommended that the FBI Director appoint some non-law-enforcement officials to its Board, since up to that time none of the Board members represented the court, prosecution, or correction segments of the criminal justice system. In February 1974 the Director appointed two prosecutors, two judges, and two correction officials to the Board. As of February 27, 1974, five had accepted the appointment.

Matter for consideration by the subcommittee

The Subcommittee may wish to explore with the Attorney General whether he believes OMB's September 1970 recommendations are appropriate and, if so, how he intends to implement them.

USE OF CCH

On November 30, 1971, the CCH system became operational. As of February 17, 1974, six States and the District of Columbia, in addition to the Federal Government, had supplied computerized records to the system in the numbers shown below.

Arizona	18,497
California	72,522
District of Columbia	45,099
Florida	70,480
Illinois	28,954
New York	46,285
Pennsylvania	10,177
United States Government [a]	156,487
Total	448,501

[a] Federal offenders are entered by the FBI.

This number represents only about 2 percent of the approximately 20 million individuals on whom the FBI has criminal history information. The CCH system, therefore, currently provides criminal justice agencies only a small portion of the total information they receive from the FBI.

Summary data the FBI gave us on the inquiries to CCH in January 1974 gives some indication of the type of requests coming to CCH. About 31,470 requests were received for either summary or complete CCH information. Of the approximately 25,900 requests for summary information, such as would be contained in the national index for single-State offenders, the CCH file contained information on 2,925, or about 11 percent. Of the approximately 5,570 requests for complete criminal history data to be transmitted back to the requestor by computers, the CCH file contained information on about 4,290, or 77 percent.

Data is not available at the national level to indicate for what purpose State and local criminal jusitce agencies use CCH information. The CCH system can identify the control agency terminals making inquiries to the system, but not the agencies within the State making requests of the control terminals. The States, however, would have such data. Moreover, there is no way to determine, from the computerized printouts, the purposes of inquiries.

An evaluation of SEARCH [1] attempted to determine police use of SEARCH, but the evaluation report noted that:

"The observation of local police use of the system was not realized; therefore, this portion of the findings come from detailed interviews and not from operational experience. The most consistent opinion expressed by local police at all organizational levels is that criminal history is not vital prior to an arrest.

"The requirement is for a reliable source of accurate and timely information during the investigative phase, after an offender has been arrested."

The report, however, did not indicate the number of local police interviewed, their duties (such as patrol or identification), or whether those interviewed were randomly selected from all local police. Without such information, it is not possible to determine whether the views expressed to the evaluators are representative.

The SEARCH evaluation report did not address how court and correction agencies used computerized criminal history information, but noted that before SEARCH the "lack of criminal history data in the courts and correction functions was appalling."

Matter for consideration by the Subcommittee

We believe it is necessary to know what use is made of computerized criminal history information to determine what type of security and privacy provisions should be applied to the data and to provide management with sufficient information to determine how best to meet user needs. The Subcommittee may wish to discuss this matter with the Attorney General.

ADMINISTRATIVE MESSAGE SWITCHING

An important collateral development to the CCH system is the development of the communication system over which law enforcement agencies can exchange administrative messages on such matters as details of thefts of automobiles, or the transportation of arrested individuals.

The primary system used by the States is the National Law Enforcement Teletype System (NLETS). A consortium of States established NLETS in 1966 as a nonprofit corporation for the interjurisdictional exchange of criminal justice administrative messages. Teletype terminals in the States, accessible to local criminal justice agencies, interfaced with a central message switching terminal in Phoenix. NLETS was operated entirely on teletype equipment and had no data storage capability. The FBI was linked into the system with the same capabilities as the States. Each State financed its own participation in the network.

In 1973 LEAA and State and local law enforcement agencies became concerned that this low-speed system had become obsolete and could not meet the high-speed telecommunication needs of law enforcement agencies. Therefore, LEAA entered into an agreement with the National Aeronautics and Space Administration to have one of the Administration's contractors, the Jet Propulsion Laboratory of the California Institute of Technology, develop alternatives for nationwide telecommunication systems to cover interstate criminal justice telecommunication needs up to 1983. The study will cost LEAA $500,000. The Jet Propulsion Laboratory is to issue its final report in mid-1974.

As an interim measure, LEAA gave the States $1.5 million in June 1973 to upgrade NLETS over a 42-month period so computers could be used to exchange information over high-speed communication lines. During the first 18 months NLETS was authorized to spend about $1.2 million to buy computer equipment, organize and install the high-speed communication lines, and bring in technical experts to implement the system. This upgrading, the initial phase of which was substantially completed in January 1974, enables computer-to-computer messages to be transmitted over the lines. As of January 31, 1974, about $741,000 had been spent.

Concurrently, the FBI expressed interest in operating law enforcement interstate administrative message switching. On July 11, 1973, the FBI Director requested the Attorney General's concurrence in his opinion that statutory authority for the FBI's NCIC included authority to provide expanded communications support for NCIC, including the switching of administrative messages and other interstate criminal justice communications. FBI officials advised us that the request to the Attorney General had been delayed until a permanent Director took office. Under the FBI's proposal, the FBI, rather than the States, would operate the central message switching unit to enable the different computerized information systems of the States to communicate directly.

The FBI pointed out that message switching is an integral part of the CCH system and that the NCIC communication network would be capable of handling all message switching requirements with minimal additional communication lines and upgrading of computer hardware.

According to an August 6, 1973, memorandum from the Department's Office of Legal Counsel to the Attorney General, it is arguable whether there is adequate legislative authority to support the FBI's proposal to acquire administrative message switching. Moreover, if the FBI obtains administrative message switching capability, there is a question whether NLETS needs to exist.

As of February 27, 1974, the Attorney General had made no decision on the FBI's request.

Matters for consideration by the subcommittee

Before moving forward with either LEAA's plans to continue upgrading NLETS or the FBI's proposal to implement administrative message switching, such Federal agencies as the Department of Justice, OMB, and the Office of Telecommunication Policy of the Executive Office of the President, should agree on what overall Federal involvement should be in computerized criminal justice telecommunication systems. The Subcommittee may wish to discuss these matters with the Attorney General.

[1] The evaluation, completed on October 23, 1970, was done by Data Dynamics, Inc., Arlington, Virginia, for the California Crime Technological Research Foundation.

THE RIGHT OF ALL CHILDREN TO GOOD NUTRITION

Mr. HUMPHREY. Mr. President, I was pleased earlier this week to introduce S. 3123, the Child Nutrition Act of 1974, to establish a universal food service program for children.

I have long favored this concept, and feel the time has come to put it into action.

We provide our school pupils with free textbooks and free transportation, as part of a free public education.

But despite abundant scientific evidence linking diet with mental and physical health, we discriminate among students when it comes to providing them with the food they need to perform at their best ability. We know that a poorly nourished student will be a poor student, but we treat nutrition as an economic rather than a physical and mental need. The poor get free lunches, the almost poor get reduced price lunches, and the more affluent pay the full price.

Yet, there is ample evidence to show that inadequate nourishment ignores economic lines. The well off can be just as poorly fed as the poor, and too frequently, are.

To address this widespread situation in our Nation, I introduced S. 3123 on March 6, proposing a truly universal free school lunch program.

I am deeply grateful to the American School Food Service Association and its members for their advice in the preparation of this bill. These dedicated professionals, who are responsible for the excellence of the school lunch program as it now functions in our Nation's schools, have long had universality as their goal.

I was honored to address this fine organization on the same day I introduced the bill, during their second annual legislative action conference, held in Arlington, Va.

In my prepared remarks I outlined in detail my thought on the universal school lunch concept and on related matters affecting the Nation's child nutrition programs. The warning I gave to conference participants was that unless certain policies of the present administration are reversed, we can expect the dismantlement of the school lunch program as we now know it.

I sharply criticized the administration's failure to fully implement the WIC supplementary feeding program for women, infants, and children. I noted continued footdragging by the Department of Agriculture in carrying out the mandates of Congress last year to improve and expand the school lunch and school milk programs.

Already, the result of administration policies has been that 500,000 youngsters have been pushed out of the school lunch program. I have strongly urged early action by the Senate on legislation I have joined in sponsoring, to prevent a further adverse impact upon the school lunch program, from a sudden phase-down in the distribution of Government-purchased commodities—a proposal currently under consideration in the Department of Agriculture.

Mr. President, I ask unanimous consent that the text of my remarks, as prepared for delivery at the ASFSA conference, be printed in the RECORD.

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

REMARKS BY SENATOR HUBERT H. HUMPHREY

It always is a pleasure to meet with the American School Food Service Association. We are old friends and allies. And now it looks as if our alliance will have to go on the offensive in another tough fight.

Your organization long has had as one of its major goals a universal program of balanced, nutritious meals for youngsters in every school in this nation. Your theme this week is, "Universality: The Possible Dream."

Well, as you no doubt are painfully aware, the Nixon Administration has other ideas. It would like to make your dream impossible.

We have seen evidence in recent weeks that the Administration is embarked on a course that would lead to the eventual dismantlement of the school lunch program as we now know it. Rather than becoming a universal program, it would be squeezed and narrowed in scope to become a welfare program. The average American, whose children now benefit by the millions from the good, nourishing meals you place before them, would be cut off from further participation.

I want you to know that I will do everything I can in the Senate to see that this Administration policy trend is reversed.

In fact, I am pleased to announce that I am introducing in the Senate the "Child Nutrition Act of 1974," embodying the principles of universality. I hope that the Senate will move quickly to consider this bill, which would achieve goals that you and I have sought for many years.

The school lunch programs mean more than food for the body. They mean food for the brain. Food for thought. Food is as important as books if a child is to learn and grow up fit to compete as an adult, to apply his learning and make a contribution to society—and to raise healthy, productive children of the future generation.

Today we know more, thanks to science, than ever before about the relationship between food and the mind. As a member of the Senate Select Committee on Nutrition and Human Needs, I have listened to hours of expert testimony and read through volumes of transcripts on this subject.

Diet clearly affects mental condition, particularly in the young and unborn. What is or is not in the diet of the pregnant mother or the infant strongly affects what that child grows up to be.

And in growing children, both the diet itself and the eating habits learned with the diet further determine the conditions that will prevail in adulthood. In boys, a steady diet of hamburgers and soda pop can set a pattern of poor diet in adult life and such problems as heart disease in middle age.

In girls, the problem is perhaps even more serious. Not only does poor diet produce poor health in the girl and then the woman, but it can mean her children will be born unhealthy. And, even worse, the mother will lack the knowledge and habits necessary to teach the child proper dietary practices.

Thus, the legacy of poor food and poor mental and physical health can be passed from generation to generation in an endless, heartless, hopeless chain unless someone steps in to break it. That is the important mission of the American School Food Service Association and the mission to which I have committed my full support.

But to accomplish this mission, we will have to reshape the thinking that has prevailed in the present Administration, which has attempted to dismantle programs and systems that have taken years to build and perfect. You know what I am talking about:

The Nixon-Butz philosophy that says, "Let's wait until the next grain crop is harvested before we worry about the wheat shortage."

Or, that says, "Sure, give them school meals. But have the cook run down to the grocery store to buy the food. We can't be bothered with supplying commodities anymore."

But that isn't the whole story. Even given a program that doesn't include government-supplied commodities, the Administration drags its feet.

For example, the Nutrition Committee has been fighting a running battle with USDA for nearly two years now to implement the WIC supplementary feeding program for women, infants, and children. This program supplies "prescription food" for pregnant and lactating mothers, infants and children—or is supposed to.

We had to go to court to break an 18-month USDA delay in just writing the rules under which the WIC program would be run. We now have the rules, but they were hastily written and need to be rewritten. Meanwhile, we have delay and unnecessary administrative complications.

Yet there has been such a demand for participation in the WIC program that the government has had to turn down over a hundred agencies that would have operated programs worth $35 million. And the program still is not operating the way it should be after this much time.

But, you know what has been going on You were there when in Congress last year we debated the School Lunch Bill. We were able to hold the Administration off and we won a few victories.

We got a guaranteed minimum reimbursement rate for school lunches.

We got an escalator clause that attempts to recognize the impact of Nixonomics on the school lunch program, by increasing reimbursement rates periodically to reflect inflation.

We mandated the continued availability and expansion of the school milk program.

And we raised the income guidelines that determine eligibility for reduced-price lunches.

I was happy to pitch in and offer these amendments and fight for them. We didn't get everything we wanted, but if we hadn't fought, you can be sure the school lunch program would be in a shambles today.

As it is, the cost of inflation has been the loss of many participants in this program—many of them the youngsters who need the program most. You know the statistics. Some 200,000 students were forced to switch from a paying to a non-paying status because the price of a lunch went as high as 65 cents in some cases. And worse than that, a half-million youngsters were pushed out of the program altogether.

At the same time, the quality of meals suffered. Trying to hold down costs and continue your programs, some of you have shown remarkable ingenuity in the face of your problems.

The figures I was just quoting come from a study done by the Select Committee on Nutrition and Human Needs. The same study reported that because the USDA commodity surplus program no longer provides ground beef, you invented the "chicken stick," a batter-dipped cylinder of ground "odds and ends" of the bird. But deserts and seconds have had to be eliminated in many cases, and the size of portions has had to be reduced.

And all this ocurred after the Administration fought us tooth and nail last year, opposing our reimbursement increases, opposing our escalator clause, opposing the special milk program, opposing the funds for new kitchen equipment.

If they had won, we might be talking today about the loss of a million or two million youngsters, rather than a half-million, from the school lunch program.

The battle has continued over recent months. The Department of Agriculture has still not published regulations to implement the expanded special free milk program enacted last fall. And unless Congress acts to continue beyond June 30th the increased maximum income guideline—designed to help children of near-poor families receive reduced-price lunches—there will be few schools that take advantage of this provision, on the expectation that USDA will allow it to expire.

But the Administration is not through. Here is what is facing us now:

A total food program budget of nearly $6 billion proposed by the Nixon Administration last month, containing a *spending* increase of about $1 billion, but an actual *program* increase that in many important areas, including the school lunch program, amounts to virtually nothing.

A school lunch equipment assistance budget would reduce available funding by nearly 20 percent. The Administration says it plans to spend $28.1 million during the current fiscal year, and it proposes to reduce this to $22 million for the next year. Against this, the Nutrition Committee has estimated a need of $40 million annually, to help schools with outdated equipment replace it and to equip others that rightfully should be getting into the program.

And finally, we have the now infamous Yeutter memo which shows the full extent of the Administration's callousness, indifference and insensitivity to the food and nutrition needs of this Nation. This proposal calls for the total phaseout of the agricultural commodity purchasing program as a longterm goal, and a general phasedown in the meantime, to get us used to the idea.

All that the school lunch budget does is provide for a shift of some 400,000 students from paying to free-lunch status, without any provision for increased participation. This is planned at a time when you and I know that the program should be growing by leaps and bounds.

There is no program, except perhaps Social Security, that is so excellent an investment for the working, taxpaying American, as the school lunch program. It provides nutritious meals at low cost for his children, while also helping feed others less fortunate and perhaps helping diminish the chance that the children of the poor today will grow up to be the parents of the poor in tomorrow's schools.

But all that the President's fiscal 1975 budget does, while increasing expenditures by one-sixth, is cover the cost of inflation.

This budget tacitly admits that the Administration has been unable to do anything about the soaring cost of food, and does not expect to do anything about it in the coming year, either, through mid-1975.

It is a mystery why there should be such a precipitous scramble to scuttle the commodity program. We have just experienced the first year in memory without surpluses, but there is no guarantee that there won't be surpluses again. If the Nixon Administration has its way, and we do again find ourselves with more agricultural commodities than we can absorb in one year, the American farmer would be without the insurance policy that this country has painfully developed over years and years.

But the new assault on the commodity program carries even more dangerous implications.

If the commodity purchase system were scrapped, we don't know that there would be—or could be—an adequate replacement. The Administration claims that the States and school foor service personnel could buy just as cheaply as the USDA could on the open market. But the truth is that no one knows what the difference in purchasing power is between the federal government and the local units. If the USDA can buy a hundred-thousand pounds of chicken for $100,000, for example, who is to say it might not cost you $150,000 or $200,000 to buy the same quantity?

Nor has the Administration promised to provide adequate financing to supply you at present levels of quantity and quality if your costs do exceed those under a federal purchasing system. If the Administration were to succeed in its tactics, it could mean either a cutback in the scope of your programs, or a vast increase in your costs, or both. The people who benefit from the school lunch program and the taxpayer would both suffer.

What we must do—and what I have joined Senator McGovern and others in proposing—is to adopt a guarantee that you can continue to operate at least at your current levels through a continuation of the present commodity program without reduction, until such time as an acceptable alternative is found. If one is not produced, we then must revitalize the commodity purchase system itself.

Price is not the only argument favoring this approach. If we allow the Administration to precipitously dismantle the commodity program, we lose in numerous other ways:

We lose the experts in warehousing and distributing bulk foods, who have made the USDA program function all these years. Suddenly the states would be forced to take over. At present, only one state, Rhode Island, the smallest state, has its own purchasing system. The other 49 would have to build their own systems overnight, and their residents would suffer while the bugs were worked out.

We would lose the Federal inspection system that has guaranteed you high-quality foods for your programs. This is another area in which ability and funds are lacking at the state level. The USDA has an excellent corps of meat inspectors.

The USDA also has a fine system of market analysis to determine the best time to buy canned fruits and vegetables. If the states and localities were forced to do their own buying, they would first have to find the experts to advise them, and then would have to replace the existing federal storage and distribution system. Chances are, you would have to buy for shorter time periods, exposing yourselves to market fluctuations.

And if the commodity program were replaced with cash that was allotted to you at the start of the year, what would you do when the price jumped and you found you hadn't been provided enough cash?

The Yeutter Memo and other indications from USDA have outlined the Administration strategy. The ultimate goal is to scrap the commodity program and push the school lunch and supplemental feeding programs over to the Department of Health, Education and Welfare. There are those who argue that this is only logical, since HEW is in the business of feeding people, while Agriculture is supposed to deal with farmers.

That may make sense on somebody's organization chart, but you and I know the realities don't bear the argument out.

If the food assistance programs were moved out of the agricultural area and into HEW, there is a possibility of deep cuts being made in the school lunch and supplemental food program budgets, due to competing priorities in services to people.

Secondly, if HEW became the administrator of the school lunch programs and the related food programs, the next step could be an effort to put some of these programs funds into revenue-sharing. This would be just another scheme to scrap a successful federal program and hand it to the states without any guarantee that they could do as well—and I don't recall having heard any of the states begging to be given the headaches.

Finally, placing the school lunch program under HEW's administration would automatically lump these programs among the HEW programs for the poor.

Adequate nutrition of th children of lower-income families does remain a primary need to be met in school food programs. But it is an essential *beginning* point, not a final limitation for these programs. We have abundant statistics that show beyond the shadow of a doubt that poor nutrition in America has no respect for different income groups, but is widespead even among children of families who could be considered well-off.

And that is precisely why the establishment of a universal child nutrition program is of such vital importance.

There recently was a report by the Public Health Service, which I am sure most of you read about. It found that poor people, and especially poor black people, are most vulnerable to dietary deficiencies. But it also found that iron, for example, is deficient in the diets of 95 percent of *all* pre-school children and women of child-bearing afe. It also found other deficiencies showed up even among the affluent.

A universal school lunch program could help teach our children what constitutes a balanced diet, and could help develop the eating habits that could lead to a better nourished nation in the future.

That, I know, is your dream. I certainly share it, and together we can make it a reality.

OCEAN AND STUDY AND MARINE LIFE

Mr. TOWER. Mr. President, recently I became a sponsor of two pieces of legislation, one of which has already passed the Senate, Senate Resolution 222, the national ocean policy study and Senate Joint Resolution 184, to protect whales and certain other living marine resources. I would like to briefly comment on why I thought it was important to become a sponsor of these resolutions.

Texas has long had an interest in the sea and its resources, since it is a major gulf coast State interested in both the fishing and mineral resources of its waters. I have become even more convinced in the last few years that Congress and the executive branch must take more aggressive action in setting a national ocean policy, not only to safeguard the peaceful use of the sea, but also for the protection of our domestic fishing industry. This is a matter which cannot wait another 10 years, but demands immediate action if we are to save our ocean resources and avert protracted international conflicts.

In the first session, I cosponsored S. 1988 which would extend, on an interim basis, the jurisdiction of the United States over certain ocean areas and fish in order to protect the domestic fishing industry. I did this to focus attention on the plight of our domestic fishing industry and to highlight the need for a meaningful Law of the Sea Conference. Ambassador John R. Stevenson, special representative of the President for the Law of the Sea Conference, to be held in Caracas this summer, spoke of the Conference in these terms:

No one who is personally involved in negotiating with some 150 sovereign nations to achieve a comprehensive multi-lateral treaty affecting hard political, economic, military and other national interests could minimize the inherent difficulties. However, by the same token we should not minimize the threat that failure to reach agreement poses not only for our non-resource interests but for certain resource interests, such as the ocean transportation of petroleum and hard minerals. . . . The choice is not between the U.S. freedom to exploit on the one hand and a give-away on the other, but between an agreed international solution protecting our interests and the partition of a large part of the oceans by coastal states with no agreed rules for the area beyond. There is at the very least a common general interest in minimum rules of order which can . . . provide ground rules under which competition can be carried on without disastrous conflict from which no one will emerge the winner.

Mr. Stevenson's comments highlight the need of instituting this ocean policy study. The ocean's resources are in great demand, and some of these demands may be in conflict, such as the need for environmental protection and mineral development. A national ocean policy is essential to balance these objectives; a coherent, unified program setting goals and priorities, providing us with a guide for peaceful development and use of the ocean without destruction of its sea life, pollution of its waters, or international conflict over its valuable minerals.

Senate Joint Resolution 184, to protect whales and certain other living marine resources, states that whales are both esthetically and scientifically valuable to mankind and that, if hunting pressures are continued, the whale is in danger of extinction. However, it is not merely a matter of protecting whales. The whale is but a harbinger of the future. Its fate may be the fate of many of our sealife.

No issue at the United Nations Conference on the Human Environment aroused as much support as the move to declare a 10-year moratorium on whaling. However, the leaders of the Soviet and Japanese Governments, whose people conduct 80 percent of the world's whaling, will not abide by any international conservation provisions. Many conservationist organizations are so enraged that they have even demanded a boycott of Soviet and Japanese goods. Senator MAGNUSON, the sponsor of this resolution stated that—

Those nations responsible for this irresponsible conduct are Japan and the Soviet Union, which do not consume whale meat in any appreciable quantities, but slaughter them for frivolous and wholly unnecessary purposes such as for use in dog, cat, and mink food, and for cosmetic additives for which there are readily available substitutes.

This problem is an international one and no legislation we have passed which protects these animals in our territorial waters will rectify this problem. If we do not attempt to find an international solution to the possible extinction of the whale, how successful will we be in protecting our domestic fishing industry the next time other nations attempt to deplete and destroy additional marine life. Next time this destruction will involve fish that are part of this Nation's food supply and integral to the survival of our fishing industry. Our domestic fishing industry is already experiencing these problems and is in need for our assistance.

This resolution directs the Secretaries of Commerce and State to determine and report to Congress what action can be taken to promote international compliance with conservation measures already agreed to and to which the United States is already a party. We must express our grave concern over this situation and what it portends and we must do it now.

VIETNAM VETERANS GI BILL

Mr. McGOVERN. Mr. President, millions of young veterans who served their country during the recent Vietnam conflict have been striving for recognition of their service and their postservice needs in the past year or so. In recent months, they appear to have made their voices heard in a way that may finally convince the Congress and the administration that a special effort must be made to provide the same level of benefits and opportunities for today's young veteran that was provided for those of us who fought in World War II.

This week, Mr. Robert Eaton, national commander of the American Legion, delivered a message to the Congress calling for "some form of variable payment to diminish the differences" in education costs from State to State. I want to commend Mr. Eaton and the entire Legion organization for recognizing the urgent need that exists for amendments to the GI bill that will make it just as easy for a veteran in a State with high cost public education to attend school as it is presently for a veteran in a State whose tuition costs are well below the national average. It is a recognition of something long held to be true by the Legion and that is that veterans served their enitre counrty and deserve equal treatment for their service no matter where they maintain their official residence.

This same idea of a variable payment program was enodrsed in studies conducted by the Educational Testing Service and the National League of Cities, Council of Mayors, during 1973. It is also the idea that prompted the initiation of legislation to provide a partial tuition payment first conceived by Congressman WALSH and contained in the Vietnam era veterans GI bill which I introduced last December 7 along with Senators MATHIAS, DOLE, and INOUYE.

The partial tuition payment plan would offset the differences that exist in public education costs from State to State. According to studies conducted by the VA, the average public tuition cost of a 4-year institution is a little above $400. If the Walsh plan as it exists in S. 2789 were adopted, the veteran would still be responsible for paying that first $400. He would be reimbursed by the VA for all tuition costs above $400 up to a total of $1,000. Out of a total tuition cost of $1,000, then, the veteran would pay $400 and the VA would pay the remaining $600.

Mr. President, support for equal educational assistance for all young GI's has always been a major platform of both the American Legion and the VFW. At a time when many of us have been trying to bring the attention of the country to the forgotten young veteran, the Legion and the VFW have remained steadfast in their early and increasingly vocal support of the young veterans' needs. To illustrate their concern, I ask unanimous consent that an Associated Press story concerning the Legion's message to the Congress and an article written by VFW Commander Ray Soden in a recent issue of the VFW magazine be printed in the RECORD.

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

AMERICAN LEGION ASKS GI BENEFITS' INCREASE

The American Legion urged Congress yesterday to provide GI education benefits which include "some form of variable payment to diminish the differences" in education costs from state to state.

"A uniform percentage increase in the existing educational assistance rates is not the best answer to the problem," said the legion's national commander, Robert E. L. Eaton of Chevy Chase.

Eaton presented the educational proposal to the Senate and House Veterans Affairs Committees and requested other increases in VA payments to veterans, including:

An increase from $495 to $600 a month in the payment for veterans 100 per cent disabled from military service with a similar percentage of increases for those with lesser ratings. President Nixon has proposed a 12 per cent increase.

A 25 per cent increase in the dependency and indemnity compensation rates for widows and children of those who die of service-connected causes. Eaton also suggested that pensions of veterans and widows no longer be reduced by any increases in Social Security or other pension income.

VIETNAM VETS DESERVE FAIR SHAKE

(By Ray R. Soden)

Not long after it was evident the Vietnam war was drawing to a close Congress directed the Veterans Administration to undertake an independent study to determine whether the Vietnam veteran was receiving educational benefits similar to those granted his comrades of past wars.

Congress had heard the plea of the V.F.W. which had been fighting for educational support for veterans since World War II and had also felt the hot breath of the returned Vietnam veteran asking for his fair shake. Congress required the VA to document the educational assistance provided under the three GI Bills and to reach conclusions concerning the information gathered.

On balance, the report indicates, "In general, the 'real value' of the educational allowance available to veterans of World War II was greater than the current allowance being paid to veterans of the Vietnam Conflict . . ."

The Administrator of Veterans Affairs took issue with the study contracted by his own agency to evaluate the adequacy of its educational assistance. He notified Congress the "VA does not agree that a major change should be made in the nature of the GI educational assistance."

Let us look at the findings of this independent group who analyzed the assistance provided veterans of three wars.

Because World War I veterans received no educational assistance, the V.F.W. and others pressed for a GI Bill for the veterans of World War II.

WWII veterans received a monthly subsistence of $75 plus up to $500 a year for tuition, fees and books for a maximum of 48 months. This permitted them to attend the school of their choice. The Korean War veteran received $110 a month. From this amount, he paid the costs of his education and subsistence up to 36 months.

In 1955, all educational assistance ceased in spite of the continued draft of the so-called Cold War soldier and the disruption of his normal pursuits. During the 10-year period it took for the Vietnam GI Bill to be passed, the V.F.W. continuously urged that these soldiers be extended educational benefits. When the present GI Bill became law, the V.F.W. succeeded in having it cover all veterans, including the period from 1955.

The Vietnam GI Bill initially provided almost the same assistance as the Korean GI Bill. Later it was raised to $220 per month for a maximum of 36 months.

In any discussion of similarity of benefits, it is necessary to measure changes in the cost of an education as well as studying the Consumer Price Index (CPI) which reflects fluctuations in all aspects of the economy. The question to be asked is what type of education is available to the Vietnam veteran on the basis of current benefits? The CPI has not quite doubled since World War II, but tuition and fees at a four-year public college have more than doubled, while at four-year private institutions they have gone up more than five times. Obviously, the Vietnam veteran cannot afford to attend a private college.

In trying to refute the report, the VA was quick to point out that over 80% of all Vietnam veterans are attending a public school and that the report stated, "it is apparent that the average Vietnam veteran attending a 4-year public or 2-year private institution has educational benefits slightly higher than his World War II counterpart when adjustments for changes in the CPI are made."

However, the VA failed to quote the next sentence which reads, "It may well be that this slight gain is overstated for it does not take into account the fact that the World War II veterans was often able to take advantage of low-cost veterans' housing and many other special services that are generally not available to the veterans of the Vietnam Conflict." The VA also failed to point out that with private schools raising costs fivefold, the veteran could attend only public schools.

Another measure of similarity of benefits is additional income available to the veteran to supplement the GI Bill payments in order to pay costs of college and to live. The report found, "It is apparent that inflation and a rising standard of living have taken their toll on the Vietnam veterans benefits and that his 'real' ability to purchase post-secondary education has diminished with respect to his World War II counterpart."

More importantly, the report concludes: "When estimated 9-month resources available to the veteran for the 1972–1973 academic year are compared with his estimates of living expenses for a similar period; only the married veteran with a working wife has sufficient additional resources to meet the average expenses . . ."

It should be clear to all, contrary to the VA Administrator, that a major change is necessary so that the Vietnam veteran receives educational assistance similar to that received by other veterans. The V.F.W. stands firmly for the following principles:

Each veteran should have sufficient educational assistance under the GI Bill to attend the school of his choice, private or public.

There must be an increase in assistance rates to enable the veteran to obtain an education.

The maximum period of schooling should be extended to 48 months to equal that given to veterans of World War II.

The eligibility period after separation from service should be extended from eight years to nine as it was for the World War II veteran.

The V.F.W. will continue to champion the rights of veterans. We will never rest until all veterans have the same opportunities.

SPEECH BY CONGRESSMAN TOM RAILSBACK TO THE RURAL COALITION

Mr. PERCY. Mr. President, one of my colleagues and good friends, Congressman TOM RAILSBACK, represents a district with an urban, but also a large rural constituency. Over the years, Congressman RAILSBACK has become attuned to rural problems and has become an effective spokesman in the House of Representatives for a proper focus on rural America.

In a recent speech to the Rural Coalition, Congressman RAILSBACK expressed new optimism for the future of rural America. In the past he has been realistic, even sometimes pessimistic, but as farm exports increase, farm prices rise, and the quality of life in our rural areas is more appreciated, he can now in good conscience encourage young people to remain in rural America and make a decent living.

I think Congressman RAILSBACK'S speech presents some valuable insights for all of us, and stands as another example of his pentrating powers of analysis and his love of country. And I ask unanimous consent that the text of his statement be printed in the RECORD.

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

SPEECH TO THE RURAL COALITION

(By Congressman TOM RAILSBACK)

I want to thank Wilson King and Susan Fridy for inviting me to join you this noon and I want to particularly express my appreciation for the wonderful work of the coalition on behalf of all of us who live in and represent rural areas. It is my belief that the work of this group has been extremely important in helping those of us who are interested in improving our rural areas.

I want to share with you this noon some of my observations about the rural areas which constitute a major percentage of my Congressional district and which also represents some of the most productive farm land in the world as well as a major livestock producing area with the number one pork producing county in the United States.

I have been in government for about 12 years; 4 years in the Illinois Legislature and now I am entering my 8th year as a Member of Congress. I was a practicing attorney in Moline, Illinois and really had not a great deal of concern for or expertise in rural development before I was successful in being elected to the Illinois Legislature. This was true despite the fact that my father and uncles had been born and raised on a farm in central Illinois and also despite the fact that I happen to represent the farm implement manufacturing center of the United States where we have Deere and Company's home office and several large International Harvester plants as well as J. I. Case.

Frankly my interest in agriculture was fostered by the direct contacts that I made and the friendships that developed from spending a great deal of time at meetings and campaigning in the rural areas. I grew to respect the typical rural family as being proudly independent, self-reliant and industrious. During these years I couldn't help but recognize that we were losing rural population to the urban areas, particularly through attrition. Young people born and raised on farms decided for one reason or another not to continue farming or business in their home towns or communities.

Many farm implement workers I represent right now have either been farmers themselves who couldn't make it or were born and raised on farms and thought that they had a better future working in the shops in the metropolitan quad city area. When I was invited to speak to rural high schools or 4–H groups or future farmer groups, I could not in good conscience express a great deal of optimism about the future of our rural areas and farming in particular. Capital costs were on the rise, farm prices were low, net return on investments was poor, and frankly as rural population dwindled, so did the voice of rural residents in government. The one attraction that remained strong and could be urged as a reason for continuing to live in the rural areas was quality of life and living, i.e., clean air, good schools, low crime rate, room to move, and better working environment.

Recently I had a chance to speak to a 4–H group at Geneseo, Illinois in Henry County and there must have been 300 people in attendance and I was able to express my belief that for once I could be optimistic about the future of American agriculture, primarily because for the first time in years, farmers were able to participate with other segments of our economy in enjoying the prosperity that the others had been enjoying for years. I am optimistic because I think the new foreign agricultural market potential particularly augurs well for more stable farm income and farm prices. I delight in telling urban Congressmen when they complain of high food prices that they ought to compare what the people in other developed countries are paying as far as percentage of their dollar for food. I delight in pointing out that we have the best quality food at the cheapest prices anywhere in the world. We can be optimistic, if we give our farmers the incentives to produce, if we recognize that they are entitled to a fair return on their investment, which is substantial, and if we recognize that food is a basic requirement in our lives and is the basic source of the energy that has helped us as a young country to become the most technologically, scientifically, educationally advanced country in the world.

We can be optimistic as well because there is a new awareness on the part of our federal government—that without agricultural exports this country would be in even more serious financial shape than is presently the case. Internationally, we are breaking down long-standing restrictive trade barriers.

Who would have guessed just three years ago—

—That Asia would be a better market for U.S. agriculture than Western Europe;

—That in 1973 American exports would total almost twenty billion dollars;

—That in 1973, China would purchase 575 million, Russia nearly 1 billion, Japan 3 billion, and Latin America 1.7 billion dollars worth of American farm products.

As we're all aware, our country has sustained a very serious 6.4 billion dollar trade deficit in 1972 including a 4 billion dollar trade deficit with Japan, a two billion dollar trade deficit with our neighbor Canada, and even a 900 million dollar trade deficit with the common market countries.

The one bright ray of hope in that dismal trade picture was agricultural exports which showed a 2 billion dollar favorable balance.

It is imperative, in my opinion that our governmental policies be designed to further encourage expansion in foreign trade for American agriculture.

Now having spoken optimistically about the future of American agriculture, one of the problems that remains an obstacle to rural development deserves attention. Again I want to refer to my own experience in my Congressional District which I imagine is similar in many respects to areas that all of you represent. We still have problems of rural poverty, rural health, and inadequate schools in some of our areas.

In addition, in our zeal to recognize the big city problems of urban transportation, we must not forget that rural residents in many areas have to travel pot-holed, narrow roads that can cause accidents and that can cause serious delays in moving produce to markets. These roads also serve to discourage people from moving to rural areas. We must continue to provide improved transportation including year round navigation on our waterways, better railroads and better roads.

There is a need to continue our rural electrification programs as well as our rural telephone programs that are designed to provide low cost service to rural residents and which would not otherwise be served by the private telephone companies.

Even more importantly we must implement properly the Rural Development Act that theoretically gives us the means to support new programs of rural housing, community facilities, and farming.

It is still my personal belief that many local Farmers Home Administrators are not concerned enough with helping the young, inexperienced (or experienced, for that matter) potential farmer, who does not have the capital required to begin farming. It's the same old story—Some of them take great pride in making certain that their FHA grants or loans will not be risky. But when you read the applicable provisions of the Farmers Home Administration legislation it becomes apparent that it was the intention of the Congress to try to help these very people, who were unable to get any kind of credit from other sources. So if we want to reverse the statistics which show the average age of the farmer operators going up, then we have to make it possible for young farmers to get help with their desire to start farming.

We must also provide incentives for business to locate in rural areas. If we are to reverse the exodus from our rural areas, we must be able to provide the same services in our rural communities that are provided in the big cities. I'm talking particularly about retail businesses and even big businesses that can provide employment that will attract people from the larger areas.

A long neglected area—and one which I'm happy to say this group has been interested in—is rural health. In my own Congressional District, I've had a chance in a limited way to survey the need of some of my own counties. In one town, Nauvoo, Illinois, which is a very small, very attractive river town, and which was at one time a Mormon settlement, there is a huge sign that is hung across the main street, which says, "Nauvoo Needs A Doctor." In Mercer County which has a total population around 20,000, there are four physicians serving the entire, large geographical area, and two of the doctors are in their sixties and want to retire, but stay on simply because they were needed. In my own town of Moline, my brother-in-law practices medicine, and specializes in internal medicine, and has told me he gets fifteen calls a day he cannot handle. He says this is true of all the other physicians as well. There is a critical need to completely overhaul our present health care system, with an emphasis upon improving delivery of health care, and it is not enough to establish so-called trauma centers where people with serious traumatic injuries can be taken, because the geographical constraints make it virtually impossible for my rural residents to be served at such trauma center located as much as 50 miles away from where they are living or working. There must be incentives to encourage general practitioners who don't specialize in a particular brand of medicine. In my opinion, we have too many doctors who specialize in footcare, eye care, brain surgery, internal medicine, surgery, obstetrics, gynecology, anesthesiology, radiology. There is an obvious need to have doctors, particularly in rural areas, provide all-around care. I think we in Government are going to have to provide the necessary incentives to see that this is done.

I am one of the sponsors of a rural health bill which would establish within HEW a Rural Health Office that would be designed to provide some incentives to accomplish these purposes.

Let me just say in closing that I am optimistic about the future of our rural areas, because I think there is a new awareness and new recognition of the importance of perserving the wonderful quality of life of those areas. I've seen some examples in my own District. For example, a young lawyer and his wife moved from Chicago to Carroll County where he wanted to practice law because of the quality of life there. I just attended a retirement dinner a few nights ago for a Vice President of the Borg-Warner Corporation, who is looking forward with anticipation to return to a small farm in Henry County because of the quality of life there. I recently read about the antique retailer of Chicago who visited Galena, Illinois—a very small town in the northwestern part of the State—and who liked it so much he decided to move lock, stock, and barrel to that town, because of its quality of life.

I hope that all of you here today will continue your great work to let Americans everywhere know of what rural America has to offer. I also hope you will continue to work to preserve and improve that quality that attracted our forebearers and helped to make our country as strong as it is today.

AGAINST A DEPARTMENT OF ENERGY AND NATURAL RESOURCES

Mr. TALMADGE. Mr. President, as many Members of the Senate know, there has recently been some renewed interest in the establishment of a Department of Energy and Natural Resources, as provided for in S. 2135.

Since the reawakening of this issue, I have heard expressions of concern from many of the most prominent voices in the conservation movement including the Association of State Foresters. In response to this concern, every member of the Committee on Agriculture and Forestry has signed a letter to the distinguished chairman of the Senate Government Operations Committee (Mr. ERVIN) opposing this legislation.

Mr. President, I ask unanimous consent to have printed in the RECORD:

First, a copy of my committee's letter to Senator ERVIN;

Second, a letter from Mr. Richard McArdle, distinguished former Chief of the U.S. Forest Service;

Third, a letter from Mr. Edward P. Cliff, yet another distinguished Chief of the Forest Service;

Fourth, a letter from Mr. Edward C. Crafts, who distinguished himself both as Deputy Chief of the Forest Service and as Director of the Bureau of Outdoor Recreation;

And finally, a copy of a resolution opposing a Department of Energy and Natural Resources adopted February 12, 1974 by the National Association of Conservation Districts.

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

U.S. SENATE,
Washington, D.C., February 22, 1974.

Hon. SAM J. ERVIN, Jr.,
Chairman, Committee on Government Operations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: The existing and potentially long-range energy needs and shortages and their impact on the total economy and the citizens of this country certainly merit immediate consideration and action by the Congress and the Administration.

However, we find it difficult, if not impossible, to envision how the transfer of the Forest Service and certain Soil Conservation Service activities contemplated in S. 2135 would contribute to the effective and efficient pursuit of a goal of national sufficiency in energy.

This is not to say that the consolidation of some activities relating to energy is not desirable. Quite the contrary, it seems to us that a centralization of responsibility in this area is imperative if the present and future energy needs of this country are to be met and the goal of self-sufficiency is to be achieved.

However, this Committee is unaware of any hard data or any rational argument available which suggests advantages in the transfer of the Forest Service and the Soil Conservation Service activities contemplated. It appears to this Committee that such a move may prove counterproductive to the massive effort needed to solve our energy crisis.

The federal government manages significant reserves of fossil energy and related fuels such as oil, gas, shale, coal, and geothermal steam. The major portion of these energy reserves is either under the public lands managed by the Bureau of Land Management, or the outer continental shelf, also managed by the BLM.

In the Department of the Interior, the BLM issues mineral leases not only on lands it administers, but on lands of other federal agencies as well. It then turns over the administration of these leases to the Conservation Division of the Geological Survey.

The lands administered by the Forest Service, on the other hand, while they have some minerals, are not the key to a rational energy policy.

Natural resources cannot be combined into a neat package. Air, water, soil, minerals, vegetation—our whole environment—comprise natural resources. It is not possible to separate out and combine all programs affecting them.

Conflicts in policies and programs governed by specific laws having different purposes cannot be resolved or eliminated by combining agencies under one roof. Attainment of a more rational energy policy for federal lands can be largely secured by reforms which do not include the Forest Services or the Soil Conservation Service. We, therefore, think that there needs to be a most careful review given to the ways that intra-departmental improvement would achieve a better national energy policy *now*.

Splitting off forestry and other selected natural resource functions from the Department of Agriculture and putting them into another department would not result in combining all natural resource functions in one department.

Further, it is difficult to understand how the combination of other agencies with existing functions of the Department of the Interior would provide the coordination that would benefit the environment. This is especially true when we consider that these functions are not now coordinated within the Department of the Interior's own agencies.

The Forest Service and the Soil Conservation Service have shown their ability to coordinate their own functions well. For example, the Forest Service has been the leader among the conservation agencies working for reform of the 1872 mining law.

In 1952, under the direction of the Secretary of Agriculture, a comprehensive study of abuses under the mining law was completed. The Department of Agriculture is presently proposing a further administrative reform by requiring permits for mining claims as an aid to protecting legitimate mining under the 1872 law, and discouraging misuse of that law. The Department of the Interior has no comparable reform under consideration on Bureau of Land Management lands.

It may appear to some that it is untidy that the Forest Service is in one department and the responsibilities for other public lands are in another. However, in actuality, this arrangement results in greater diversity, more opportunity for access, and a broader audience for land and resource management issues, especially those that embrace so wide a group as farmers, ranchers, woodlot owners, sports enthusiasts, nature lovers, and others interested in the preservation of our Nation's wonders.

The Department of Agriculture is a natural resource department. It has very broad conservation and natural resource responsibilities throughout rural America. The highly decentralized USDA organization currently extends program activities to ninety percent of the Nation's land area and watersheds. Specialists in soils, crops, livestocks, forestry, outdoor recreation, rural economics, education, landscape management, and water resources, and related disciplines, are in the Department. Multi-purpose management and use of natural resources, together with protection of environmental quality, are the key to meeting growing deands on agriculture and natural resources. This is the main thrust of USDA leadership in land and water conservation and comprehensive planning.

Two-thirds of the Nation's lands are in private ownership. The private owners, with whom the Department of Agriculture deals in its many programs, will make the basic decisions upon which the Nation's future position in natural resources will depend. The major part of the job of conservation, development, and protection of natural resources will occur on private lands. The historic success, the know-how, and the federal leadership to get the job done are in the Department of Agriculture.

Agricultural lands included in the small watershed program of the Soil Conservation Service are, in general, operated under private ownership. This program is inseparable from other farm management activities. The separation of SCS survey and planning functions from its administrative and budget functions can only provoke waste and confusion.

The National Forest System and the Soil Conservation Service contribute to rural area development, which is tied closely to rural people. A major portion of the National Forest timber harvest is processed in rural communities. SCS Resource Conservation and Development Projects contribute in some areas the only professional planning available to economically pressed small towns.

Forestry is an essential element in the rural economy. In many low income areas, development of forestry is a major new income opportunity.

All of the Department of Agriculture's natural resource programs are tied together by similar sciences. The Department of Agriculture has the trained professional personnel to provide leadership in natural resource management. Forestry research is interrelated with other agricultural research. Forest Service research and federally supported state forestry research efforts should be kept together in the Department of Agriculture with other federal agricultural research efforts.

Forestry is a combined USDA effort. Much of the Department of Agriculture's Cooperative Forestry Program is carried out in cooperation with agencies in Agriculture other than the Forest Service. The new Forestry Incentives Program, enacted in 1973, will be carried out as a component part of the Rural Environmental Conservation Program of the Department of Agriculture. If S. 2135 is enacted in its present form, we feel that the contribution of the Forest Service to the well-being of rural America will be submerged in a huge new Department whose primary interest will be the energy needs of urban America. Further, we have grave doubt that the environment would be protected in a Department whose major thrust would be in meeting the energy needs of the Nation.

The present regional structure of the Forest Service field offices would change with the attendant concerns which were raised by Congress and the public in 1973 when such a move was proposed last year. In fact, the proposed Secretary of the Department of Energy and Natural Resources could abolish the transferred agencies of the Soil Conservation Service, the Forest Service, or any Department of the Interior agency.

Organization of the new Department of Energy and Natural Resources would follow the lines of the Federal Regional Councils. While the Regional Councils would tend to get many federal agencies closer to the people, our agricultural and natural resource agencies are already organized to be on-the-ground where the farms and natural resources are. To pull these agencies into the Regional Council system would tend to centralize them, and reduce essential decision-making which should be made by professional managers and resource personnel at ground level.

Any separation of the National Forest System (National Forests), cooperative forestry programs on state and private lands, and forestry research would weaken federal leadership in forestry.

Just this week the Committee on Agriculture and Forestry reported, and the Senate passed, S. 2296. S. 2296 is a major and comprehensive bill designed to achieve the goal of long-range multiple-use sustained-yield of our forest, rangeland, and other renewable resources and assure a continuing yield of net benefits and resources for the enjoyment and well-being of the citizens of the United States.

The Department of Agriculture now has larger resource conservation authorities and responsibilities than does the Department of the Interior. The Department of Agriculture, in cooperation with state agencies, is now responsible to Congress for all of the Nation's cropland, all of the improved pasture and most of the open rangeland, over ninety-five percent of the timber land, and most of the recreational land. Most of our water originates on lands administered directly or indirectly by USDA.

In one way or another the United States Department of Agriculture has responsibility for approximately ninety percent of our renewable natural resources.

To interfere with this system which has worked successfully for more than one hundred years, establishing close relationships with state and local governments, would be disastrous.

We strongly oppose any legislation which would tend to upset an efficiently operating system merely for the sake of moving bureaucrats into a new set of cubbyholes. The risk is the subversion of governmental functions which the public clearly desires, and the destruction of the current system in which the professional resource managers play an important role in helping to shape public policy.

Therefore, we strongly urge that the Committee delete from S. 2135 those provisions which would transfer the Forest Service and certain functions of the Soil Conservation Service from the Department of Agriculture.

With every good wish, we are

Sincerely,

HERMAN E. TALMADGE,
Chairman.
CARL T. CURTIS,
Ranking Minority Member.
GEORGE D. AIKEN,
MILTON R. YOUNG,
ROBERT DOLE,
HENRY BELLMON,
JAMES O. EASTLAND,
GEORGE MCGOVERN,
JAMES B. ALLEN,
HUBERT H. HUMPHREY,
JESSE HELMS,
WALTER D. HUDDLESTON,
DICK CLARK.

WASHINGTON, D.C.,
February 16, 1974.

Senator HERMAN TALMADGE,
Chairman, Committee on Agriculture and Forestry, U.S. Senate, Washington, D.C.

DEAR SENATOR TALMADGE: The current revival of interest in establishing a Department of Energy and Natural Resources prompts me to write this letter. That there will be five days of hearings on S 2744 is indicative of the importance attached to this proposal. Hearings already have been held on HR 9090. I address my comments to you because the proposal can have profoundly harmful effects on the U.S. Department of Agriculture.

The proposal is to change the name of the Department of the Interior and to add new responsibilities by transfer of functions from other Departments. I have no fault to find with the establishment of a Department of Natural Resources but the proposed name change would be far more applicable to the Department of Agriculture than to Interior.

The impression has been deliberately created that the present Department of the Interior already has jurisdiction of all natural resources and resource administering agencies except a few such as TVA, the civil functions of the Army Engineers, the Soil Conservation Service and the Forest Service. This is not true.

The Department of Agriculture has larger resource conservation authorities and responsibilities than has the Interior Department. The Department of Agriculture directly and in cooperation with State agencies is now responsible to Congress for all of the Nation's crop land, all of the improved pasture and most of the open range land, about 95 percent of the forest land on which crops of timber can be grown and most of the recreational lands of this country. Most of our water originates on lands administered directly or indirectly by the Department of Agriculture. In one way or another Agriculture has responsibility for three-fourths of our natural resources. But whether the correct figure is more or less than three-fourths it is obvious that the proposal to designate the Interior Department as the principal or only federal resource conservation agency is bound to materially affect the Department of Agriculture and its long established relationships with the States.

Your Committee also may want to consider the announced intention of dismembering all established agencies both within the present Interior Department and those to be transferred to it. At the hearings on HR 9090 Budget Director Ash and Interior Secretary Morton testified that the plan is to transfer functions rather than agencies. Present agencies would be abolished. The new Department would be organized along functional lines. Wildlife management would be handled by one agency only, range management by one agency only, management of recreation by one agency only, management of water resources by one agency only, and so on. As the plan was described there would not be agencies in the customary sense but regional administrators. The proposal would put management of each acre in the hands of a dozen or more likely a dozen different administrators. The effect on federally owned land would be disastrous and the indirect effect on State and privately owned lands scarcely less.

It is difficult to think of a more cumbersome system. It is also impractical. It would be comparable to entrusting the management of one ice cream cone to six or a dozen small boys. If this is typical of the thinking that has gone into the proposals for a new Department the thinking is not yet far enough along to merit the attention of the Congress.

A more logical proposal would be to consolidate responsibility for natural resource conservation in the Department of Agriculture where most of this responsibility now rests. The present Department of the Interior would then be able to concentrate on urgent problems of energy.

Sincerely yours,

RICHARD E. MCARDLE.

ALEXANDRIA, VA.,
February 20, 1974.

Senator HERMAN TALMADGE,
Chairman, Senate Committee on Agriculture and Forestry, U.S. Senate, Washington, D.C.

DEAR SENATOR TALMADGE: I strongly urge you to oppose S2135, a bill to create a Department of Energy and Natural Resources. This bill, among other things, would transfer the Forest Service and a substantial part of the responsibilities of the Soil Conservation Service, from the Department of Agriculture to the proposed new department which would be built around the present Department of the Interior. It would also transfer the planning functions of the Corps of Engineers of the Department of the Army to the new department in an effort to get most of the water resources activities in one department.

I can agree that there is a need to establish a strong organization to deal with energy problems and energy research. I can also see the logic of combining the responsibilities for managing the energy materials—coal, oil, oil shale, natural gas, uranium, and the geothermal resources in connection with the overall management of energy programs. It would also be logical to place in the same department the responsibilities for administering other federal programs for administering other non-renewable mineral resources and federal power programs. Such a Department of Energy and Mineral Resources would have a tremendously large and important job and it will be so for a long time. The energy crunch is not going away quickly. A department fully staffed and funded to deal adequately with energy and non-renewable resources would be a large and powerful organization. To make it larger by including forestry, most of the water programs and most of what is now in the Department of the Interior would, in my judgment, make it too large and unwieldy. There would be a real danger that forestry and other renewable resource programs would be overshadowed by concern over energy problems and lost in the shuffle.

If natural resource activities of the Federal Government are to be reorganized and combined in some manner a much more logical and viable proposal would be to combine the responsibilities for all renewable resources, including the surface resources of all public lands and soil and water resources in an enlarged Department of Agriculture. It could be renamed the Department of Lands, Waters and Agriculture, Agriculture and Renewable Resources, or some other suitably descriptive name.

The Department of Agriculture has demonstrated its ability over the years to manage land and renewable resource problems and particularly those related to the two-thirds of the nations land that is in private ownership. No combination of resource management agencies could possibly embrace all of the natural resources. The proposed Department of Energy and Natural Resources would be a misnomer and the forced marriage of the Forest and SCS with an organization predominantly involved with energy and non-renewable resources would be incompatible. After all, the food producing lands comprise the nation's most important natural resource. The Department of Agriculture is now and always should be a natural resource department—a renewable natural resource department.

Since we will always need a Department of Agriculture to deal with this vital part of our economy it is plain common sense to combine with it the other compatible renewable natural resource functions—forestry, soil and water management, and all other renewable surface resources of federal lands. Forestry, agriculture, soil science, wildlife production all rely on the same biological and physical sciences. Research in these fields has been closely coordinated. It would be a mistake to tear them apart.

The Department of Agriculture agencies have had broad experience, unmatched in any other Department of Government, in dealing constructively with private land owners who own the bulk of the nation's land. Also with land grant universities and other institutions involved in management of renewable resources. These ties should be continued and strengthened—not torn apart.

Many of the arguments advanced for transferring the Forest Service to another department are based on the concept that it would be more efficient to have all of the public land agencies in one department. Proponents of this idea overlook the fact that about 73 percent of the commercial forest land in this country is privately owned much of it by farmers. It is on these private lands where the greatest need and the greatest opportunity for forest management lies. The Department of Agriculture has an organizational structure capable of dealing with private forest land owners and the state and private forestry organizations. This should not be tampered with. Forestry should be kept closely allied with agriculture where it belongs.

I could go on developing further arguments but I know that you are familiar with most of them. As you can see, I feel very strongly about this matter. I am willing to work with you in any way to defeat this unwise proposal.

Sincerely yours,

EDWARD P. CLIFF,
Former Chief, U.S. Forest Service.

WASHINGTON, D.C.
March 4, 1974.

Senator HERMAN E. TALMADGE,
Chairman on Agriculture and Forestry Washington, D.C.

DEAR SENATOR TALMADGE: Thank you for your letter of February 26, and the enclosed letter of February 22 to the Chairman of the Committee on Government Operations objecting to those provisions of S. 2135 which would transfer all functions of the Forest Service and certain functions of the Soil Conservation Service to the Administration's proposed new Department of Energy and Natural Resources.

Because the February 22 letter represented the unanimous views of your Committee, it occurred to me you might be interested in the views of one who has served in both Interior as a bureau head, and in Agriculture as a deputy bureau chief.

I spent seven years in Interior as Director of the Bureau of Outdoor Recreation and Administrator of the Land and Water Conservation Fund. Prior to serving in Interior, I was in Agriculture for 30 years, 12 of them as Deputy Chief of the Forest Service. From 1950 to 1962, I had close working relations with the Senate Committee on Agriculture and Forestry.

Because of this service in both departments and both agencies, I hold no special brief for either department or natural resource agency present or proposed. Staff competence in Agriculture and Interior at the professional level is about equal. My only concern is for the best management of the Nation's renewable natural resources —an objective toward which I have devoted my entire professional life .

Accordingly, I share your deep concern over certain provisions of the Administration's bill. In my view, if their potential is fully implemented, I am convinced they are in conflict with the strong conservation stands for which you and the Committee on Agriculture and Forestry are noted.

To understand the full significance of these provisions, it is necessary to consider them in connection with:

1. The White House statement by the President of June 29, 1973, issued at the time the bill was submitted to the Congress.

2. The White House President's Statement on Energy—Summary Outline—Fact Sheet, issued on the same date.

3. The Administration's section-by-section analysis of the Department of Energy and Natural Resources.

4. Papers Relating to the President's Departmental Reorganization Program—A Reference Compilation, Part V—The Proposed Department of Natural Resources, dated March, 1971.

5. The testimony and interrogation of Mr. Ash and Secretary Morton before Congressman Holifield's Committee on Government Operations, July 1973, re H.R. 9090, the companion bill.

6. Three draft position papers prepared within Interior entitled: "Framework for Organization in the Proposed Department of Natural Resources", March 1, 1972; "Position Paper on the Land and Recreation Resources Administration in the proposed Department of Natural Resources", November 18, 1972; and "Position Paper on the Research Function in the Land and Recreation Resources Administration in the proposed Department of Natural Resources", November 18, 1971.

I also call attention to the prepared testimony of the Citizens Committee on Natural Resources which that organization is seeking to present at Mr. Ribicoff's on-going hearings. That statement is a fair interpretation of what is authorized and contemplated by the questionable provisions which concern me. It is specific as to proposed amendments, has been checked by attorneys, and deserves careful consideration before any bill is marked up.

My concerns relate only to certain sections of Title III and IV. They do not relate to the energy aspects of the bill. Attention is called to:

POSSIBLE ABOLITION OF BUREAUS

Section 403(b) states: "The Secretary may organize the Department as he may deem to be necessary or appropriate . . .". No Con-

gressional review or approval is required. This authority would apply not only to agencies newly proposed for transfer, such as the Forest Service, but also to existing renewable resource agencies now in Interior, such as the National Park Service, Bureau of Sport Fisheries and Wildlife, Bureau of Land Management, Bureau of Outdoor Recreation, and others.

The whole thrust of the Administration's proposal is to move over a period of 2 to 5 years to a functional approach along resources lines such as timber, recreation, water, forage, wildlife, and so on under Regional Administrators, and correspondingly move away from agency administration with line authority vesting in agency heads. Secretary Morton made this clear in his House testimony. Also in the second reference in item 6 of the references cited appears the statement on page 35: "Accordingly, over a period of three to five years, some of the involved multiple-resource bureaus could lose their present identities and be merged and reconstructed into new components which will be more closely integrated to achieve the Secretary's broad land, resource, and environmental 'common purpose' objectives."

Functional administration of multiple-resources with decision-making authority coming together only at regional or very high Washington levels is obviously unworkable when one stops to consider that multiple-resources occur on the same 10, 100, or 1000 acres of public lands as they do. Decision making responsibility for all resources on a given geographic basis, which is the agency approach, is the only workable alternative as has been demonstrated for at least 70 years by the Forest Service, since 1916 by the National Park Service, and by other resource agencies.

I do not believe you or other members of your committee would endorse blanket discretionary authority for any Secretary to completely abolish the above-named well-known Federal conservation agencies of long standing. Yet, Section 403(b) would do just that.

George Hartzog, former Director of the National Park Service, who was in the Department of the Interior at the time the reorganization proposals were developed, shares my concern over the possible disappearance of the National Park Service as an agency in view of the language referred to herein coupled with his personal knowledge of Administration intent.

REGIONAL, DISTRICT, AND LOCAL RESTRUCTURING

Section 404 would authorize the Secretary "to establish, alter, or discontinue and to maintain such State, regional, district, local, or other field offices as he may deem to be necessary . . .". No Congressional review or concurrence would be required.

The intention here is to restructure to conform to the ten standard Federal regions and headquarters. I call your attention to the discussion, pages 38–41, of the "Framework for Organization in the Proposed Department of Natural Resources" named in item 6 of the references cited above.

You will recall, I am sure, the attempt by Secretary Butz in April, 1973, to eliminate three Forest Service regions in the West, close Forest Service Regional Headquarters in Missoula, Ogden and Albuquerque, and close two Forest Service Regional Forest Experiment Stations at Asheville, N.C. and Ogden. The intent was to make the Forest Service comply with the standard Federal regions.

Such furor was raised that your Senate Committee on Agriculture and Forestry held hearings on the proposal last June 26–27. Opposition witnesses were lead by Senators Mansfield, Metcalf, Moss, Bennett and Montoya, the Governor of Montana, a representative for the Governor of Utah, and several congressmen from the affected Rocky Mountain states. The pressure became so great, especially from the Majority Leader of the Senate that the Administration eventually backtracked and Secretary Butz withdrew his order.

Yet, Section 404 would grant the Secretary of the new Department authority to exercise just such reorganization without any Congressional check or oversight. The intention to do so is clearly spelled out in the Administration's House testimony, and other documents.

TRANSFER OF FOREST SERVICE FUNCTIONS

Section 301(d) would transfer all Forest Service functions to the new Department. It is significant that no mention is made of transfer of the agency itself, but only its functions. There are numerous reasons why the Forest Service should be left in Agriculture. Some of these include:

(a) The Administration's own section-by-section analysis of the bill makes clear the three-fold functions of the Forest Service, namely, responsibility for the National Forests and Grasslands which are public lands, cooperation with the States on private and local public forest lands, and research to service both the National Forests and private lands. Most lay and Congressional circles tend to think of the National Forests as synonymous with the Forest Service. They overlook the co-equal responsibility of the Forest Service for forestry on farm and other private woodlands and the extensive network of Forest Experiment Stations dating back to 1908 which is closely tied to the Agriculture Research Service of the Department of Agriculture.

(b) The growing of trees, grass and shrubs and the management of small upstream watersheds involves primarily the application of plant science, the basic knowledge for which is found in the Department of Agriculture, not in Interior.

(c) Through County agricultural agents, extension foresters, farm foresters and State foresters, the Forest Service has nation-wide contacts with farmers which are the largest single class of small woodland owners. Comparable avenues to farmers do not exist in any other Department, and farmers own more commercial forest land than any other class of forest owner.

(d) The Forest Service has been operating along its present pattern for 70 years and is a remarkable conservation agency with world-wide recognition for competence, dedication and achievement. Most nations of the world have either followed the pattern of the United States or have come to the same conclusion independently by placing their Forest Services in their Agriculture Departments. Similarly, in the United Nations, forestry is located in the Food and Agriculture Organization.

(e) In Agriculture the Forest Service has been singularly free of political meddling. Not one Chief has been dismissed by an incoming Secretary of Agriculture and all Forest Service Chiefs have been professionals. The same may be said of the Soil Conservation Service. In contrast, the Department of Interior, wherein are vested most of the other natural resource agencies, is noted for the political casualties of its bureau chiefs. Under the present Administration, the head of every renewable natural resource agency in the Department of Interior has been replaced, even though these men were career professionals.

Never before has this happened to the National Park Service, while in contrast, the shortness of tenure of Directors of the Bureau of Land Management is well-known.

If the practice that is now prevailing, and has prevailed historically in Interior, were to pass to the proposed new Department and the Forest Service were to be transferred, it too would become politically vulnerable.

FRAGMENTATION OF SOIL CONSERVATION SERVICE AND CORPS OF ENGINEERS

Section 301(e) would transfer to the new Department Soil Conservation Service functions to conduct river basin surveys and investigations, and the planning and funding of certain watershed protection and flood prevention operations. Remaining functions of the Soil Conservation Service would be retained in Agriculture. Similarly, Section 301(c) would transfer to the new Department all the planning and funding activities associated with the Corps' civil functions. This would include river basin planning and selection of projects proposed for authorization. The Corps remaining within the Department of the Army would continue to carry out feasibility studies, contract administration, construction and so on.

I have been closely associated with the Soil Conservation Service for many years. Also, I worked briefly for the Corps after my retirement from Interior.

In all my many years as a Federal Administrator, that which I found most difficult was to function simultaneously as Director of the Bureau of Outdoor Recreation under the Secretary of Interior, and also as Executive Director of the President's Council on Recreation and Natural Beauty which was chaired by a cabinet officer other than the Secretary of Interior. In other words, I was reporting to two cabinet officers at the same time on over-lapping functions. My belief and conviction is that the division of the Soil Conservation Service and the civil functions of the Corps between two departments and two cabinet officers is utterly unworkable and urge that these sections be amended or dropped. One cannot work effectively for two bosses.

I hope you will accept this letter in the constructive spirit with which it is written. I wished to get through to you my deep concern over these undesirable provisions of the Administration's proposal.

There would be no objection to making this letter available to other Senators or placement in the Congressional Record.

With kindest regards.

Respectfully yours,

EDWARD C. CRAFTS.

FEDERAL REORGANIZATION

Legislation has been introduced in Congress at the request of the President to create a new federal Department of Energy and Natural Resources. The National Association of Conservation Districts is opposed to major provisions of this proposed legislation. In particular, we oppose the proposed transfer of the Forest Service and certain functions of the Soil Conservation Service and Army Corps of Engineers to the proposed new Department.

We believe it would be a serious mistake to transfer the Forest Service from the Department of Agriculture, where it has developed an enviable reputation for cooperation and professional capability, to a new Department where these values might be jeopardized. More than half of the forest land in the United States is in non-industrial private forests. Therein lies the largest forestry job ahead. In furtherance of this work, the Forest Service works closely with State forestry agencies, and they in turn work directly with farmers and other private owners.

The proposed legislation would also split the authority and federal-funding control for the upstream watershed program between the Soil Conservation Service and the proposed new Department. To place the funding and decision-making authority in one department and the delivery system in another is to invite unnecessary problems in management of the program; in assignment of personnel; in establishing essential priorities; in Congressional, federal-state, and sponsor relations;

and in carrying out an efficient installation program.

The proposed legislation would also fragment the water resources work of the U.S. Army Corps of Engineers. In our judgment it would complicate the planning and funding procedures associated with their work without any offsetting advantages either in terms of resources or the operations of the agency.

Since the introduction of the proposal to create a DENR there have been two significant developments directly affecting the well-being of the nation and the lives of all Americans. There is now an urgent need to increase production of agricultural commodities. And there is an energy crisis.

We believe these developments create the need for a different kind of reorganization in the federal departmental structure than that proposed by the Administration.

Reliable forecasts indicate that shortages of energy are likely to affect the nation's economy adversely for many years ahead. Agricultural production, industrial employment, commercial and residential heating, and transportation systems of all kinds are among the key areas facing serious adjustments. Clearly there is a vital need to develop new sources of energy and also find acceptable ways to increase the supplies and uses of traditional sources. In our judgment, the problems of energy are continuing problems of the highest magnitude. We propose, instead of a Department of Energy and Natural Resources, the establishment of a highly-focused Department of Energy and Minerals.

We believe there are sound reasons, also, to expand the responsibilities of the Department of Agriculture to include administration of substantial segments of the public lands of the country. We believe the Department of Agriculture should be enlarged to serve as the Department of Agriculture and Natural Resources, concerned not only with the production and marketing of vital food and fiber commodities, but with the essential land, water, forest, and related resources of the nation.

Ninety percent of the continental United States is rural land producing crops, trees, forage, water, wildlife and recreational opportunities. Seventy percent of these lands are privately owned and sustain the most productive farm, forest, grazing, and wildlife capabilities of the nation. The renewable resources of the public lands are in thousands of instances intermingled with, or adjoined to, the privately-owned lands. The management of privately-owned lands is affected by the management of public lands, and vice versa. There is a clear-cut need, in our view, for close coordination of programs affecting the basic resources of the country, regardless of ownership. We believe this can be accomplished best through a Department of Agriculture and Natural Resources which would have within its structure an unparalleled body of experience, expertise, research and educational facilities, and the proven capability of reaching to every part of the grass roots of America.

GI BILL NOT AIDING VETERANS AS IT HAS IN THE PAST

Mr. BEALL. Mr. President, in a report conducted by the Education Testing Service, it was concluded that the GI bill is not doing today for veterans as it did in the past. An analysis of the participation rate shows that both full and part-time enrollments are below those for the GI's who fought during World War II. In fact, in my own State of Maryland, with an estimated veterans population of 139,000 only 21.1 percent have ever been in college under the GI bill. It is for that reason I am pleased to join several of my colleagues in the Senate in cosponsoring S. 2789, "The Vietnam Veterans GI Bill".

Just as there are many factors which must be taken into consideration when one looks at a comparison of the quality of benefits available to the World War II GI's and those available to the veterans of the Vietnam war, there are several factors that must be considered when one examines the current participation rates. Of prime importance is the necessity of taking into account the significant changes in the economy that have taken place in the interim from World War II to the Vietnam war. While the Consumer Price Index has not quite doubled since World War II the average tuition at a 4-year public institution has more than doubled and the tuition at a 4-year private institution has increased fivefold.

According to the ETS study, when all factors such as books, tuition and supplies at a 4-year public institution are considered, the remaining is not sufficient to meet the veterans' living expenses. The study further indicates that "the single veteran would require $728 in additional resources, a married veteran with no children would require over $2,000 in resources over and above current allowances." Comments from my own constituents throughout Maryland have ranged from the fact that marriage, children and the additional responsibilities entailed have necessitated "choosing" employment over education, to an instance where a young man has been confined to a mental hospital for the last 6 years and upon his release now has plans to begin his college education.

Although it is pointed out that there are other federally funded programs available to veterans, none of them have given a priority preference for the veteran and the data which has been compiled indicates that the veteran's participation in these programs has been substantially low.

Of particular significance also is the increasing educational level of veterans, which of course reflects the increasing educational levels of the population in general. Today only 1 in 5 veterans lacks a high school education, compared with over one-half of the World War II veterans. Thus, as there has been a growing emphasis on education, the needs and demands for the veterans will increase accordingly. Likewise, the age of the veterans reveals much about his or her needs. At the end of World War II, 61.2 percent of the veterans were under 30 years of age, while 78.3 percent of the Vietnamese veterans are under 30. This indicates that an increasing percentage of veterans went into the service during the years when most of their peers were obtaining their education and it is more likely that their time in the service disrupted their educational plans. Certainly those who gave of their time in the service of our country deserve an adequate opportunity to continue the pursuit of their goals.

Mr. President, it is evident that more time and more money is needed if our veterans are to meet their objectives. I believe Senate bill 2789 is a major effort in correcting current deficiencies and inequities in the law and I hope it will receive speedy consideration.

Mr. President, I ask unanimous consent that the attached summary of S. 2789 be printed in the RECORD.

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

THE COMPREHENSIVE VIETNAM ERA VETERANS EDUCATIONAL BENEFITS ACT OF 1973

Inadequacies in the present GI bill deny the Vietnam veteran the assistance and opportunities that Congress intended they have. This is the conclusion of the Congressionally commissioned report published by the Educational Testing Service on educational assistance programs for veterans. Their findings are confirmed by independent hearings conducted by the National League of Cities, U.S. Conference of Mayors, and the American Association of Junior Colleges.

This bill is designed to overcome the specific inadequacies of the present GI bill and to provide assistance and opportunities to veterans who are currently unable to use their benefits. It is also designed to meet the mandates of major veterans organizations in the most comprehensive, flexible, and effective manner possible.

MAJOR PROVISIONS

1. A tuition payment made to the veteran for tuition costs above $400 per school year. The ETS study showed $400 to be the average tuition cost at a 4 year public institution. The veteran would pay the first $400 himself and the V.A. would reimburse him for tuition costs up to a total of $1,000. Out of a total tuition cost of $1,000, the veteran would pay $400 and the V.A. $600. Any cost above $1,000 would have to be paid by the veteran.

This would enable veterans in states with high cost public education to use the GI benefits. The GI bill participation rates in Ohio, Pennsylvania, Indiana, New Jersey, and New York (states with public education costs averaging over $750) are half those of states with low cost public education (California, Texas, and Massachusetts). The inability of the veteran to make an initial tuition payment of $600 or $800 is the most formidable obstacle preventing participation in an education or training program.

2. An increase in the subsistence allowance paid to veterans in vocational rehabilitation and education programs of 13.6%. This is consistent with action already taken in the House of Representatives and covers the 8% inflation rate since the present rates were enacted.

3. An extension of the present 36 month entitlement period for up to 9 additional months subject to case by case approval by the V.A. This will allow veterans who are subject to special circumstances to complete the course of education they set out on. Specifically, it is intended for those who have lost credits because they have transferred from one school to another or because they lack sufficient preparatory background and need additional courses to complete their program of instruction.

4. An increase from 8 to 10 years in the eligibility period. Presently veterans have eight years from date of discharge to complete their education with the help of GI assistance. Many veterans discharged in 1964, 1965, and 1966 were unable to use the benefits until 1970 when the subsistence rate was raised above $130. Others have attended on a part time basis and also face the prospect of losing part of their 36 month allotment when the eight years is up.

5. A provision allowing a veteran to draw his full 36 month entitlement in larger amounts over a shorter period of time. Present subsistence allowance for a single veteran is $220 per month. This provision would allow the veteran to draw up to $440 per month

for only 18 months. This would enable veterans with prior education to complete their programs with a minimum of money worries. It would also enhance the prospects for those who may wish to attend medical or law school or a two year vocational objective.

6. The bill removes the restrictions of the work study program. This will enable the V.A. to utilize veterans to fulfill vitally needed outreach work while allowing them to earn money that will help defray their college costs.

7. Establishment of a Vietnam Era Veterans Communication center and a veterans advisory committee. The center would insure that the input, advice, experience, and knowledge of young veterans would be used in the coordination and implementation of programs affecting Vietnam era Veterans. The advisory task force would combine government and private efforts to make veterans programs more effective and more widely utilized.

Cost.—(A consensus reached after consulting the V.A., OMB and various private concerns).

1. Tuition payment, 200 million.
2. Subsistence increase, 370 million.
3. Extension of entitlement, 15 million.
4. Extension of eligibility period, 20 million.
5. Accelerated subsistence, no new cost.
6. Expansion of work-study, 25 million (to be determined by V.A. and Cong. authorization).
7. Communication center, funded out of existing V.A. funds.

THE IMPACT OF HIGH ENERGY COSTS

Mr. McGOVERN. Mr. President, the real threat of sharply higher costs of all forms of energy is not so much the doubled price of gasoline for our family cars as it is the grossly inflationary effect which will result throughout the economy.

Every commodity, from agriculture to washing machines, is dependent on energy for production, processing, transportation and its ultimate retail sale and use. When one considers the added cost of energy at every step of the way, the enormity of a doubled price of basic energy materials takes on a new and different meaning.

The president of Output Systems Corp. of Arlington, Va., Mr. Matthew Kerbec, has written a letter to the President which encloses a number of newspaper articles together with his own comments, which make an eloquent case for a rollback in the price of crude oil. I ask unanimous consent that Mr. Kerbec's letter, the newspaper articles to which his letter refers, and his comments on those articles be printed in the RECORD.

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

OUTPUT SYSTEMS CORP.,
Arlington, Va., February 25, 1974.

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: This letter was stimulated by an article appearing on the front page of the February 21, 1974 edition of the New York Times. Simply stated the article announces new record highs for commodity prices and that farm production prices have increased 50% in one year. This is an economic danger signal when you realize this is at the farm level before any of the markups that occur between the farm and the complex marketing system required to bring food products to the consumer. In the same article a commodity broker is quoted as saying "The prices are not only undermining the value of paper money but in the case of grains they are destroying the cattle and hog industries." As you know new highs are being registered each month in all price indexes with no end in sight.

Mr. President, play the energy game and try to think of any product that does not have an energy cost as part of the price and you will begin to appreciate the enormity of the consequences associated with irresponsible price hikes at the crude oil level. Although we cannot control foreign oil prices we can stabilize our economy by subsidizing the difference between a fixed crude oil price and the price of imports in the same way Canada is handling the problem. (See Article 2, Pages 12 and 15).

It can be demonstrated that cost and price ripples caused by sudden massive energy price hikes (energy includes crude oil, coal and natural gas) have an amplified effect greater than any other commodity. Natural gas and petroleum based chemicals account for over 43% of material costs needed to produce fertilizer. The Cost of Living Council decontrolled fertilizer in October 1973, and fertilizer selling prices increased by 37% in 3 months. Fertilizer is needed to grow corn and soybeans used for livestock feed, and, the increased price is forcing these prices up. These prices are marked up again and again as they travel through the marketing chain to the retail level. Also it is estimated that 6.5 billion gallons of gasoline and fuel oil were used on farms in 1973. An increase of 10¢ per gallon adds $650 million to farm costs that will ripple through the food marketing system before being passed on to the ultimate consumer.

The attached Article 2 covers some of the first round effects of the energy price hikes in several critical industries. Contrary to the opinion of some analysts, the effects of these price hikes should not be thought of as a one-shot phenomena. They are the first step in a chain reaction that will amplify prices as they ripple through the economy.

The following is a list of four major cumulative inflationary effects that are being triggered by sudden and massive energy price hikes:

1. Agriculture and industry responds by equivalent massive price hikes. Price controls become meaningless because massive increases in the prices of raw material fossil fuel inputs make higher product prices mandatory if the steel, food, transportation, petrochemical and power utilities and other industries, are to survive.

2. Unions and workers demand equivalent massive wage hikes to maintain buying power. People with fixed incomes have no practical recourse and may resort to violence (in 1972 there were over 10 million families with an average income of $3,500 per year).

3. Reduced buying power caused by massive inflation will lead to layoffs. Greater percentages of income will go for necessities and distort spending patterns.

4. Demand for luxury products and non-essential items will dramatically decrease leading to more layoffs that will affect executives and workers at all income levels.

Events after Effect 4 are anyone's guess. The U.S. is now definitely at Effect 1 with prices rising at unprecedented rates. Effects 2, 3 and 4 are showing increasing activity. One thing is certain—there will be delayed effects long after the high priced energy is fed into our economic system. For example, coal prices are now following oil prices. One report states that Bethlehem Steel Corporation announced that it will lay off 1250 people because the Cost of Living Council does not allow steel companies to bid up to the $27 to $35 the utilities are paying for coal. An international example of delayed cost effect that was triggered by energy price increases is that organized labor in Japan is asking for an unprecedented 30% increase in 1974 (see attached articles). These are effects not causes.

I have reviewed many of the energy and economic policy statements made by your executives in the past three months but have not yet heard any meaningful detailed analysis of what massive energy price hikes are doing to the economy in terms of raw materials costs, profits, prices, wages, unemployment and inflation. These are all part of the same management problem. Knowingly or unknowingly your executives present a tremendously misleading picture when they only speak of economic effects caused by crude oil price increases as plus or minus a few cents at the gasoline pump.

The time has come for all thinking people to stand up to be counted, and it should be clearly understood by all elected and appointed government officials that the foundation is being laid now for future disruptions to our economic system. Specifically, we are now laying the groundwork that will lead to management-labor confrontations, antisocial acts by people being relentlessly squeezed between soaring prices and fixed incomes, unprecedented inflation and unemployment.

One fact clearly stands out. Great Britain, Japan, the United States and other countries who have allowed internal energy prices to reach cartel levels are all experiencing raging inflation. Canada has frozen crude oil at $4.00 per barrel and is not having problems with runaway inflation (see Article 2, pages 12 and 15).

Because energy is the only commodity that is a necessity for all industries and activities I strongly urge an immediate rollback of energy prices and a realistic national energy policy that balances the need for energy self-sufficiency against the degree of economic disruption that can be tolerated (see Article 2, page 13). There are many ways to finance increased exploration for crude oil and to build additional refinery capacity without massive energy price increases that have no relationship to production costs. It is also true that no foreign country will cut their oil prices when our government does nothing about the uncontrolled $10.35 per barrel of crude oil produced domestically. Why should they? Until we start treating energy as a necessity in the same context as air and water and not as ordinary commodities such as steel, and grain we will continue to apply old nonapplicable remedies to a new problem requiring new basic policies.

Mr. President, I realize your burdens are heavy but I close this with the sincere hope that you can generate some priority decisive action to reduce this continuing suicidal inflationary spiral.

Sincerely,

MATTHEW J. KERBEC,
President.

[From the New York Times, Feb. 21, 1974]

PRICES HIT PEAKS FOR COMMODITIES: BIDDING FOR RAW MATERIALS PUSHES MANY FUTURES TO RECORD LEVELS

(By H. J. Maidenberg)

The nation received its loudest signal to date yesterday that consumer prices will soar much higher in coming weeks and months. It came as commodity traders and speculators bid up the prices of most raw materials to record or near-record levels once again yesterday.

Bids on the commodity exchanges here and in Chicago sent prices of potatoes, copper, sugar and silver to historic highs and raised most other basic raw materials closer to record levels.

"It's frightening," one broker said in a telephone interview, from Chicago. "I've

never seen anything like it in 20 years that I've been in the business.

"The prices are not only undermining the value of paper money, but in the case of the grains, they are destroying the cattle and hog industries," he added.

The broker explained that soaring grain prices, consumer resistance to current prices and the recent truck strike in the Midwest have caused uncommonly high rates of cattle and hog slaughter.

"This means beef and pork prices may not run up as fast now, but watch out when the livestock herds are wiped out later this year," he added.

Another broker observed that grain prices have been supported largely by record exports. Yesterday, for example, Mexico bought 18 million bushels of corn and sent that commodity up the daily permissible limit of 10 cents a bushel.

When cattle and hog feeders balked at the higher levels, prices fell a few pennies from the day's highs by the close of trading.

Chicago wheat prices were mostly higher, with the biggest gains in contracts for delivery in July, September and December. These months normally lag behind other deliveries because they reflect the winter wheat harvest that starts in June and constitutes two-thirds of the nation's crop.

But traders have been scoffing at Secretary of Agriculture Earl L. Butz's optimistic predictions of record grain harvests in 1974.

Cargill, Inc., the huge grain trading company, reported recently that farm production costs were running 50 per cent above the year-ago level. Moreover, the trade doubts that the critical fertilizer shortage, compounded by price controls that encouraged exports, will overcome in time to produce the record harvests forecast by Washington.

"If words could raise crops," a New York broker said, "then Washington would become the country's biggest farm."

STOCKPILING RUSH IS ON

Some grain exporters note that each time grain prices move up foreign buyers rush in to stockpile, which is happening today. Flour millers have been particularly affected. One Kansas City miller declared: "Washington is more interested in trade balances than in whether or not we will have enough grain for bread."

In the smaller New York commodity markets, speculators again joined trade buyers to bid up raw sugar to record levels. The near March delivery closed at 24.65 cents a pound; a year ago it traded at 8.9 cents.

Commodity futures prices represent the first stage of the processing and marketing system, with retail prices 50 percent higher in most finished products.

Although speculators and others fleeing from inflation—and paper money—have been bidding up silver bullion prices to record levels each day for the last two weeks or so, some brokers reported that this buying had spread to the copper market.

"An increasing number of silver speculators have become nervous over the high price of silver and are switching over to copper," a metals merchant said.

Cost is another factor. With initial margins in both commodities about 10 per cent of total value, a silver contract represents an outlay of almost $6,000, while one in copper is roughly $2,000.

In any event, all silver and copper deliveries closed at their limit highs. The current delivery in silver (February) finished at $5.61 an ounce, despite considerable switching from near to more distant contracts during the day. As a result, the most distant delivery, May, 1975, closed at $5.77.

Comment: This article is an urgent warning of what is to come in higher grain and other commodity prices.

These increases are not surprising when it is realized that 43% of the cost of raw materials used to produce fertilizer are derived from petroleum and natural gas. Due to energy price hikes, shortages of petroleum based chemicals and higher prices received from export sales the price of fertilizer jumped 37% in three months. Fertilizer is one of the greatest costs for growing grain. Corn and soybean are the single greatest cost in feeding livestock so when a massive energy price hike is imposed on fertilizer production it creates a massive ripple effect that will not be felt for 18 months or more or when these livestock products hit the retail level. Also in 1973 farms used 6.5 billion gallons of gasoline and fuel oil. These fuels are scheduled to go up by 10 cents a gallon in 1974 which will add at least another $650 million to the farm cost in 1974. (see Article 2. Page 5). Fertilizer price controls are meaningless if there is no control of the petroleum based raw materials.

[From the Washington Post, Feb. 19, 1974]

JAPANESE RALLY FOR PAY RISES

(By Don Oberdorfer)

TOKYO, February 18.—All factions of organized labor staged a joint anti-inflation rally here tonight as part of a nationwide drive for massive wage increases.

The 30,000 unionists, sitting amid red banners in a vast indoor hall, heard speeches declaring that the government, big business and the international oil companies are responsible for this country's soaring inflation. Consumer prices here rose by 19 per cent last year, the highest rate for any major industrial nation and about twice that of the United States.

Organized labor is asking for an unprecedented 30 per cent pay rise in this year's annual round of wage negotiations, known here as the spring labor offensive, or "shunto." Advance indications are that the results will average 25 per cent or more, accelerating inflation and causing economic headaches at a time of nearly stagnant output and productivity.

Nothing was said about the inflationary aspects of the big pay demands tonight. The purpose of the anti-inflation rally was to display rare unity of the politically divergent wings of organized labor and to enhance organized labor's image with the general public and with the two-thirds of the Japanese labor force which is unionized.

Because of political as well as the economic circumstances, this year's "shunto" is likely to cause unusually difficult problems and a bigger than usual uproar in Japan. Organized labor supports various factions of the Socialist and Communist political opposition, which is threatening to wrest control of the upper house of Parliament from the ruling Liberal Democratic Party, which is conservative, in this summer's election.

Massive labor demonstrations and a planned general strike during the spring labor offensive are scheduled to emphasize social, welfare demands and popular discontent in an attempt to weaken the political position of the government.

"This is our best chance to give more power to opposition parties and the opposition coalition," said Ryoichi Yasutsune, planning director of Sohyo, Japan's largest labor federation.

If the spring offensive is tied strictly to wage demands, the general public might react adversely, he added. Thus, the anti-inflation and public welfare aspects of this year's drive will be pushed to the foreground in demonstrations planned to mobilize as many as 1 million protesters around the Parliament building in March and April.

In an effort to strengthen the government position, Premier Kakuei Tanaka has invited the chiefs of all four labor federations to a meeting this Thursday. Tanaka will appeal to the unions to moderate their demands and avoid economically damaging strikes and slowdowns. The union chiefs will accuse the government of allowing excessive profits, commodity speculation and inflation. After the meeting, both sides will seek to make their points with the general public.

Supported by rapidly rising productivity and fast-paced economic growth, Japanese industrial wage rates have grown apace in recent years. They are now at about the same general level as in Western Europe, and almost half the level of those in the United States.

Last year's spring offensive produced an average major industry wage hike of 20.1 percent, a record. But most of this has been sopped up by inflation, particularly in the months since the Middle East war and Arab oil boycott sent commodity prices soaring.

Comment: Cumulative inflationary events. events.

CAUSE

1. Sudden and continuous massive energy price hikes.

EFFECTS

2. Agriculture and industry responds by equivalent massive price hikes. Price controls become meaningless because massive increases in the prices of raw material fossil fuel inputs make higher product prices mandatory if the enterprise is to survive.

3. Unions and workers demand equivalent massive wage hikes to maintain buying power. People with fixed incomes have no practical recourse.

4. Reduced buying power caused by massive inflation will lead to layoffs. Greater percentages of income will go for necessities and distort spending patterns.

5. Demand for luxury products and nonessential items will dramatically decrease leading to more layoffs.

6. ANYBODY'S GUESS. The United States is definitely at Event 2 and is showing increasing activity in Events 3, 4, and 5.

[From the Wall Street Journal, Feb. 8, 1974]

BETHLEHEM STEEL IS CUTTING OUTPUT OF RAW STEEL 8 PERCENT: METALLURGICAL-COAL SHORTAGE CITED; ACTION AT TWO FACILITIES WILL LAY OFF 1,250 PERSONS

In yet another impact of the energy crisis, Bethlehem Steel Corp. said in Bethlehem, Pa., it is being forced to cut its raw-steel production one million tons, or about 8%, over the next six months because of a metallurgical-coal shortage.

Metallurgical-coal supplies have become increasingly tight recently because of record world-wide steel production and a switch to such coal by utilities that have been unable to obtain oil or lower-cost steam coal. Nevertheless, Bethlehem's move took other steelmakers by surprise.

U.S. Steel Corp. said in Pittsburgh that it has sufficient supplies, but warned that any disruption to the already-tight supply situation would make it doubtful that it "will be able to sustain the current-level of operations into the summer months." Similarly, Richard E. Thompson, group vice president of National Steel Corp., said that company's coal situation is "tight as the dickens."

Bethlehem said the cutbacks will come at its large steelmaking facilities at Sparrows Point, Md., and Lackawanna, N.Y., and will result in layoffs of 1,250 persons.

At Sparrows Point, Bethlehem banked one of its older blast furnaces Feb. 1 and will close down another iron-making furnace for relining. Operations at the coke plant, where metallurgical coal is baked to remove oxygen, will also be curtailed.

At Lackawanna, one of six blast furnaces will be banked Feb. 15 and an open hearth steelmaking furnace will be closed the following day. Coke operations there will also be curbed.

CAN'T MEET NEEDS

C. Thompson Stott, Bethlehem's senior vice president, steel operations, said cutbacks were necessary because the company hasn't been able to produce enough coal from its own mines or buy enough here and abroad to meet its needs. While he didn't say so, the company has also been buying some processed coke from abroad.

Steel production in the U.S. and abroad has been at unprecedented levels over the past year. Domestic production last year, for instance, jumped 13% to 150.4 million tons from 133.2 million, and Bethlehem's production totaled 23.7 million tons.

For each ton of raw steel produced, two-thirds of a ton of metallurgical coal is needed. The coal is baked into coke that is then fed into blast furnaces where it serves as both a fuel in melting iron ore and as a chemical ingredient in the molten iron.

Coal mines have been straining to meet the increased demand and to accommodate long-term orders from foreign steelmakers, particularly in Japan. Exports of metallurgical coal totaled 43 million tons in 1973 and represented 83% of total coal exports.

But, "the straw that broke the camel's back," according to one fuel consultant, was the Arab oil embargo that sent utilities that had switched to low-sulphur oil to meet air-pollution standards back to the mines to obtain coal. And with low-sulphur steam coal also in short supply, the utilities turned to higher-cost metallurgical coal.

CONDITION WAS AGGRAVATED

The condition was further aggravated when the Cost of Living Council decontrolled the price of coal moving to the utilities but held the lid on the price steel producers can pay. National Steel's Mr. Thompson, for instance, said utilities currently are paying $27 to $35 a ton for metallurgical coal on the spot market, while steel producers can only bid $15 to $19 a ton for the same product.

"The shortage can be readily corrected by permitting all metallurgical coal to be priced at a fair market value to the traditional users—namely the domestic-steel industry," a U.S. Steel spokesman added. While such a move would certainly enable steelmakers to compete with the utilities for coal it wouldn't increase total supplies, which are limited more by technological and labor restraints than by price levels.

Thus one steelman surmised that the situation won't be ameliorated "until the Arab oil embargo ends."

Comment: Lack of export restrictions and a unified energy price policy has utilities, steel companies and foreign buyers bidding for the same coal.

Of the 18% of the energy used to produce basic steel (see Article 2, Page 9) over 9% consists of natural gas, electricity, fuel oil and residual oil. The other 9% is metallurgical coal. With coal prices doubling and other energy costs increasing from 50% to over 100% basic steel prices will have to increase dramatically. Obviously, any realistic attempt to control the selling price of basic steel will have to begin with a drop in energy prices or price control is a meaningless exercise and indeed should be discontinued.

It follows that wages will have to be decontrolled if buying power is to be preserved.

After energy and transportation steel perhaps has the largest ripple effect and these price increases will make a significant contribution to increased prices on the retail level and over all inflation.

[From the Washington Post, Feb. 23, 1974]

FIVE DEAD IN ETHIOPIAN RIOTS OVER PRICES

ADDIS ABABA.—Some 300 persons were in jail and an estimated five persons dead in the aftermath of four days of violence in the Ethiopian capital, apparently sparked by soaring prices and growing unemployment.

An uneasy calm prevailed last night as 1,500 soldiers, with orders to shoot "troublemakers" on sight, patrolled the streets and guarded government ministries, the radio station and other strategic centers.

Steel-helmeted troops moved into the city Thursday night to put an end to clashes between police and marauding demonstrators who were stoning diplomatic and private cars, shops and public buildings.

The violence erupted at the beginning of the week when the city's 3,500 taxi drivers went on strike in protest against the doubling of gasoline prices and increased licensing fees.

Adding to the troubles was a decision by teachers to go on strike Monday against a new education program recently announced by the Education Ministry. Schools have been closed since then. The teachers are also seeking pay increases.

[Diplomatic sources in Washington reported that there had also been a strike by air force personnel last week over economic issues.]

The cost of living has been climbing sharply, with basic foods such as rice, flour and bread more than doubling in price in the past three months. The number of beggars on city streets has noticeably increased recently.

[From the Washington Post, Feb. 23, 1974]

SEVEN KILLED, 25 HURT IN BOMBAY FOOD RIOTS

BOMBAY.—Police fired on mobs rampaging Friday night across Bombay in food riots. Seven persons were killed and 25 wounded, officials said yesterday.

Thousands of persons thronged the streets to protest price rises and shortages of essential goods.

Protesters burned shops and public buses, set fire to police vehicles and hurled rocks at the police. Two assistant commissioners of police, four inspectors and 23 constables were injured in the clashes, official said.

In neighboring Gujarat, home state of the late Indian leader Mohandas K. Gandhi, mob violence continued for the 45th day.

Comment: In 1972 over 10.8 million families (20 percent of the lowest income families) only received $37 billion or 5.4 percent of the total family income of $686 billion. This is an average of only $3,425 per family for the year. Obviously, as prices continue to skyrocket these low income families will be squeezed between ever increasing prices and relatively fixed incomes and having no bargaining agents or other practical recourse the potential for violence is great and the possibility of riots and other anti social acts are high. Under present energy pricing policies and those still to come the only uncertainty is when it will happen.

ERNEST C. MARRINER CELEBRATES 1,000TH BROADCAST

Mr. MUSKIE. Mr. President, in 1948, when I was practicing law in Waterville, Maine, a neighbor of mine, Ernest C. Marriner, agreed to broadcast a half-dozen programs on the local radio station, WTVL and WTVL–FM, to fill a vacant 15 minutes of air time between two popular radio shows, "Monday Morning Headlines" and "Drew Pearson Reports." Another neighbor, Carleton D. Brown, who owned the station, talked Keyes Fiber Co. into sponsoring the shows.

Those half-dozen "Little Talks on Common Things" were so popular that Marriner continued the broadcasts, and last month, WTVL, Marriner and Keyes Fiber celebrated the 1,000th broadcast of Marriner's program. The station believes that the program and sponsor have set an endurance record for radio. As Brown said in introducing the 1,000th program February 10th:

Continuous sponsorship of a radio broadcast by a single sponsor for 1,000 weeks, using the same talent on the same program is a radio first.

Keyes Fiber, by the way, does not air commercials during the broadcast, but simply announces its sponsorship.

Mr. Marriner is now 82 years old, and serves as Colby College historian, after 37 years on the Colby faculty. He is also dean emeritus of the faculty at Colby. His "Little Talks on Common Things" are, mostly, historical lessons, homilies on the great and near great which help guide us as well as entertain us. And his little talks are, mostly, about Maine.

In his first talk he passed on the wisdom of Arthur J. Roberts, former Colby College president, who used to say:

In Maine, farming isn't an occupation; it's a misfortune.

In his 500th talk he related the story of a corporal in a Civil War regiment who was delivered of a child while on picket duty.

And in his 1,000th discourse, he told the following story about political power:

" . . . [O]ne day in 1889 a prominent Virginian, John Wise, burst into the office of the Speaker of the House, Thomas B. Reed of Maine, yelling out, "Who's running this government anyway?" Reed calmly replied, "Why John, the great and the good are running it of course." "Well then," said Wise, "the great and the good must all live in Maine. Here I come to Washington to do business with the Secretary of State, and I find he is Jim Blaine of Maine. I call to pay my respects on the President pro tem of the Senate, and he is Mr. Frye of Maine. I want to consult the Senate's majority leader and they send me to Mr. Hale of Maine. Then I must take up a tariff matter with the chairman of the Ways and Means Committee of the House, and who is he but Mr. Dingley of Maine. Then there is a naval bill I am interested in, and who chairs that committee but Mr. Milliken of Maine. I have to see about an appropriation for a public building in Richmond, and who's in control but Mr. Boutelle of Maine."

"Yes, John," said Reed, "the great and the good and the wise. The country is still safe," And out they went arm in arm to have lunch with the Chief Justice of the U.S. Supreme Court, Mr. Justice Fuller of Maine.

Mr. President, to commemorate both Dean Marriner's longevity and genius, I ask unanimous consent that the 1,000th, 500th, and first "Little Talks on Common Things," along with a biological sketch and two articles on the program, printed in the RECORD.

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

[Program No. 1000]

"LITTLE TALKS ON COMMON THINGS" WITH ERNEST C. MARRINER, BROADCAST ON WTVL AND WTVL–FM ON FEBRUARY 10, 1974

INTRODUCTION

CARLETON D. BROWN: Back in the autumn of 1948, Radio Station WTVL in Waterville, Maine, invited Ernest Marriner, then Dean of the Faculty at Colby College, to broadcast half-a-dozen 15-minute Sunday programs, centering on common themes. That brief period has extended into 26 years, and the program you are about to hear is the one

which was broadcast on the 1000th consecutive week of this series.

For more than a quarter of a century, this unusual program has put on the air a myriad of topics, most of them concerned with the social history of the State of Maine, and especially that of its Kennebec Valley. Little attention has been given to political events, but much to the way Maine people lived and talked from earliest pioneer days to the beginning of the present century.

The broadcasts have told about the early settlements, the construction of roads from Indian trails to turnpikes, the story of Maine's ten narrow-gauge railroad lines, the ocean-going schooners built in Maine, the old country stores with their sales of rum and gingerbread. Well-remembered is the story of a Maine murder case in which the expert witnesses were not doctors, but ox drivers testifying to the speed of a yoke of oxen on a dark night drive covering sixteen miles.

In the more than 25 years this show has been on the air, it has been sponsored continuously by the Keyes Fibre Company, internationally-known converters of wood fiber into molded household and commercial products.

Never once has a broadcast been interrupted by advertising. Only at the beginning and at the close is there a single sentence saying that the program is presented as a service to the public by a friendly industrial neighbor—the Keyes Fibre Company.

Continuous sponsorship of a radio broadcast by a single sponsor for 1000 weeks, using the same talent on the same program is a Radio FIRST—a First in this nation.

Be our guest now as we bring you "Little Talks on Common Things" with Ernest Marriner.

FEBRUARY 10, 1974.

MARRINER: As Little Talks reaches its 1000th broadcast, it may be appropriate to mention some unusual things about Maine. I could tell about Maine items of today: our famous lobster, never to be confused with the less tasty crayfish; about Aroostook potatoes so big that one will make a meal for a family; about our giant industries concerned with pulp and paper, about Maine's famous shirts and her equally celebrated steel grandstands, known all over the nation.

However, Little Talks has for a quarter of a century been concerned with Maine history. So let me tell you a few things about the State of Maine that may be new to you, not the kind of things told in the history books.

Everyone knows that New England's first permanent settlement was at Plymouth in 1620. Now, the most authentic record of that settlement is a contemporary account written by the settlement's first governor, William Bradford and entitled "Bradford's Relation." In that book Bradford relates that, after that first terrible winter at Plymouth, as the snows began to melt, the little colony was one day entered and greeted by an Indian who spoke English. Bradford does not tell us where that red man learned his few English words, but subsequent research has made it clear that he learned it at Pemaquid on the Maine coast, where British fishing fleets had been drying their codfish every summer for many years before any Pilgrim foot stepped on Plymouth Rock.

Bradford does tell us that, in the late spring of 1621, he sent the Pilgrim shallop to Pemaquid for supplies. Admittedly there were then no permanent settlement at Pemaquid. Why did Bradford think he could get supplies there? He makes it clear that he meant European goods, not Indian grain and furs. Bradford knew very well one or more British fishing fleets would be starting to dry their fish on the Pemaquid shore at about that time, and surely some of thse ships could spare him supplies.

The first vessel ever built on the North Atlantic shore of what is now the United States was built in Maine, the same year as the founding of the colony at Jamestown, Virginia, 1607. A British colonizing party had established a settlement at the mouth of Maine's Kennebec River. It lasted only a year, but in that interval the colonists had built a sturdy sea-going ship.

Why do folks coming to Maine from New York or Boston always speak of going "down east?" Maine is north as well as east of Boston, and on a map north is always up, not down. Boston people invariably went down to New York and they still go down to Florida. Then why didn't they go up to Maine?

The answer comes from the days of sail. Off the New England coast the prevailing fair wind comes from the southwest. In colonial days sailing vessels were thus driven "with the wind" or "down wind" to Maine. To go in the other direction Maine craft had to go against the wind, or up wind to Boston.

Many competent historians, to say nothing of us common folk, don't know what was the first crop of early Maine settlers. It was ashes. The quickest way for a settler in the Maine wilderness to get land ready for sowing oats, the easiest grain to raise, was to fell and burn the trees, using only such wood as he needed to build cabin and barn and supply fuel for his fireplace. By one of those lucky accidents of history, the settlement of Central Maine towns coincided with the rapid growth of the wool industry in England. Wool has to be washed many times in its several processes from sheep to loom, and those washings took a lot of soap. Soap was made of potash, and potash was made from ashes. Enterprising men set up potash kilns at the larger settlements on Maine's big rivers, and to those kilns, in boats and canoes, on sleds and ox carts, the settlers carried their otherwise useless ashes, doing that for two or three years before they had any surplus grain to sell.

Compared with the big states of Texas and Alaska, Maine is of course small; yet she is the largest of the six New England states, so large that all the other five could be put within Maine and still have a few square miles left over. Visitors to the Maine coast and the valleys of the larger rivers, as well as to the narrow strip of Aroostook along the New Brunswick border, seldom realize how little of Maine they have actually seen. Ninety percent of Maine is still forest, and in that wilderness are located more than two-thirds of Maine's thousand lakes. Despite two hundred years of lumbering, careful conservation and scientific reforestation has seen to it that Maine still has a tremendous supply of available wood.

Some Maine products became known all over the world. Cans of Maine sweet corn have been found in the shops of Vladavostok. Maine canned blueberries could be bought in Istanbul. Today air express takes fresh Maine lobsters to the tables of London and Paris. Magazine readers have become familiar with pictures of the man with the eye patch, wearing a shirt made in Maine. Packages of fruits, vegetables, and eggs are on the shelves of supermarkets of a dozen countries, the trays all marked as made by Keyes Fibre Company in Maine.

Maine's most notable product, however, is not things. It is people. In 150 years of statehood, Maine's population has reached barely a million because she has done so much to populate other states. Maine boys went not only to the gold fields of California in the middle of last century; they went also to the prairies of Iowa and Kansas, on the Oregon Trail and to the Cinnamon Strip. In proportion to her population Maine did more than her share to develop the Great West.

One generation of a single Maine family, the Washburns of Livermore, furnished governors of two states, and at the same time three of the brothers were representatives to Congress from three different states.

Maine has never had a national president and one only vice president, though she has twice had sons come very near occupying the White House. However, near the end of the 1880's Maine enjoyed peculiar prominence in Washington. Walter Emerson tells about it in his book "Latchstrings." He says that one day in 1889 a prominent Virginian, John Wise, burst into the office of the Speaker of the House, Thomas B. Reed of Maine, yelling out, "Who's running this government anyway?" Reed calmly replied, "Why, John, the great and the good are running it of course." "Well then," said Wise, "the great and the good must all live in Maine. Here I come to Washington to do business with the Secretary of State, and I find he is Jim Blaine of Maine. I call to pay my respects on the President Pro Tem of the Senate, and he is Mr. Frye of Maine. I want to consult the Senate's majority leader and they send me to Mr. Hale of Maine. Then I must take up a tariff matter with the chairman of the Ways and Means Committee of the House, and who is he but Mr. Dingley of Maine. Then there is a naval bill I am interested in, and who chairs that committee but Mr. Milliken of Maine. I have to see about an appropriation for a public building in Richmond, and who's in control but Mr. Boutelle of Maine."

"Yes, John," said Reed, "the great and the good and the wise. The country is still safe." And out they went arm in arm to have lunch with the Chief Justice of the U.S. Supreme Court, Mr. Justice Fuller of Maine.

Maine has had its share of inventive genius. I could tell you about the Maxim brothers and their famous guns; about the Stanley brothers, who invented both the dry plate for photography and the Stanley Steamer automobile; about the Lombard Log Hauler, with its first successful caterpillar tread, forerunner of the farm tractor and the war tank; but time permits me to tell you about only one Maine inventor, Martin Keyes. Envisioning the possibility of throw-away dishes made from molded wood pulp, Keyes suffered many disappointments and frustrations before in the first decade of this century, in a tiny mill in the little hamlet of Shawmut, Maine, he turned out the first usable and saleable dishes from wood pulp. That was the beginning of the Keyes Fibre Company, with plants now in five states and several foreign countries. Martin Keyes' half dozen sizes of PAPRUS plates have grown to more than a hundred items, including the famous CHINET line of disposable tableware.

I take great pride and satisfaction in knowing that, after 25 years, folks can still listen to the weekly broadcast of Little Talks because of the generous sponsorship of the Keyes Fibre Company.

Up Music Bridge Theme: Auld Lang Syne—20 secs—then fade to Closing Announcement.

CARLETON D. BROWN: It has been a pleasure to be a guest in your home with the program you have just heard, "Little Talks on Common Things" with Ernest C. Marriner.

This broadcast was produced by Radio Stations WTVL–AM & FM at Waterville, Maine, and reached you with the good wishes of these stations and of Keyes Fibre Company, manufacturers of useful things molded from the cellulose wood fibers of trees.

Up Theme—Auld Lang Syne—Run 30 secs. and fade.

[500th Broadcast]

LITTLE TALKS ON COMMON THINGS

(With Ernest C. Marriner)

MAY 21, 1961.

As improbable as it seems to me, this is indeed the 500th broadcast of Little Talks.

I cannot pretend that any of them have been important, but if they have given pleasure to any listeners over the years, I am sufficiently rewarded for the effort that has gone into their preparation.

An important aspect of this program is that it is one of very few radio programs in the whole nation that has continued for 39 weeks of each year, for thirteen consecutive years, under the same sponsor. Putting and keeping Little Talks on the air would have been quite impossible without the sponsorship of the Keyes Fibre Company. I am sure listeners appreciate that, from the day these broadcasts started thirteen years ago in 1948, they have never been interrupted by advertising. In a few simple words at the beginning and at the end, you are told that the program comes to you as a public service, not a commercial ad, of the Keyes Fibre Company. Never once has the Company in any way sought to control the contents of the program. I have been completely free to say anything I pleased. I assure you that whenever I have spoken about Keyes Fibre on these broadcasts, it has been entirely on my own initiative. But I want everyone to know that I am very grateful to that Company for making this program possible.

I am often asked where I get the material for the broadcasts, and I have often replied that it comes chiefly from listeners. Without the generous help of hundreds of persons, the program could never have reached 500 broadcasts. People have loaned me precious letters and family documents, account books and diaries, maps and scrapbooks, old newspapers and hand bills—every sort of written or printed record. Items have come not only from the Kennebec Valley and other parts of Maine, but from Massachusetts, Vermont, New York, Pennsylvania, Ohio, Minnesota, Texas and California. One very interesting item reached me from Alaska.

As you know, the program has resulted in the publication of two books, Kennebec Yesterdays and Remembered Maine. In those books are memorialized the narrow gauge railroads, the stage coach lines, the call of Maine boys to the gold fields of California, the old country stores, the disastrous river floods, the rigors of pioneer living, the squatters on the land, and many other topics. In each of those books is the story of a Maine murder case.

During the past four years, since the publication of Remembered Maine, what have been the topics that received most favorable reception? By far in the lead has been the subject of Maine railroads—not only the narrow gauge lines about which much has been added in the past four years to what I had already told in the two books—but also much about Maine's broad gauge railroads. We have discussed the origin of the Maine Central the adventurous building of the Portland and Ogdensburg, which became the Maine Central's Mountain Division. We have seen how the prosperous Bangor & Aroostook grew out of the old Aroostook R.R. We have talked about the Battle of the Gauges, about the first M.E. locomotive, about railroad postmarks and railroad souvenirs.

Almost as popular as the railroads, have been stories about Maine's famous race horses of the 19th and early 20th centuries. Naturally Waterville's famous horse, world champion, Nelson, has led the list, but quite as famous in their day were the bitter competitors, General Knox and Hiram Drew, whose matched races drew immense crowds.

The other subjects, each of which supplied material for several programs were the diary of Charles Keith of Winslow, and the voyage of William Heath around the world. The Keith story is important because it covers nearly thirty years of daily records, and is especially informative about the Winslow Congregational Church. The Heath narrative is one of the most amazing stories ever recorded about a Maine boy, and it comes from that boy's own diary, telling in detail how he shipped out of San Francisco alone for Honolulu, just before his 16th birthday in 1850, and how he unintentionally went on to China and around the world before he returned to his Maine home just after his 17th birthday.

Local listeners were especially interested in the story of John McKechnie, the man who surveyed the lots along the river for the Plymouth Company, who was this community's first physician, and who built its first mill.

Several broadcasts devoted to two well remembered political figures attracted attention. Both of them were belligerent Democrats—Ben Bunker, published of the Kennebec Democrat in the 1880's and William R. Pattangall, publisher of the Waterville Sentinel in the early 1900's. I contend that one of the most brilliant works of political satire ever written in Maine is Pattangall's Meddybemps Letters.

Other stories that listeners tell me they enjoyed were the California adventures of Thomas Flint, the young medical student whose testimony clinched the conviction of Waterville's Dr. Coolidge for murder; the pre-Revolutionary journeys down to the Kennebec and the Androscoggin of the military engineer, John Montressor; and several broadcasts dealing with that splendid, upright and industrious sect, the Shakers.

Some of the old time things we have mentioned in recent years on the program have been ox helves and beetles, bridle chains and scantling, sulfur matches and sarsaparilla, tobacco tags and hardtack, rag peddlers and street sprinklers.

The different persons we have mentioned, only in the last four years, have been more than 200. We have had much to say about the leading families of the Kennebec: the Gardiners, the Norths, the Conys, the Langs, and the Burleighs; the Appletons and the Redingtons, the Plaisteds and the Heaths, the Boutelles and the Gilmans, the Moors and the Stockpoles; the Geralds, the Connors, the Totmans, and the Laurences; the Clevelands and the Coburns, the Jackmans and the Whipples. Recently we have paid fitting respect to our Central Maine men in the Civil War, to whom as a part of the Union forces, we owe the fact that we are now a united, not a divided nation.

Are the topics exhausted? Have we said all there is to say? Have the nearly one million words that have gone over the air in these 500 broadcasts exhausted the discoverable historical information about ordinary living in Maine towns and villages? By no means. On the contrary, new information continues to pour in, and I assure you there is enough to keep this program going for some time to come.

To show you how true it is that something new is always coming along, let me tell you for the first time about a letter written by a Civil War soldier almost a hundred years ago. The letter was written from the camp of the Fifth Maine near White Oak Church, Va., on April 19, 1862, by James Littlefield of Greenwood, Maine, the town in which is the village of Bryant's Pond. The letter was addressed to Littlefield's female cousin, Miss Martha Rice, at Waterville. She later married a Bickord and became the mother of Bertel and Webster Bickord of North Belgrade. Martha Rice Bickford herself died in Smithfield in the 1880's.

The greater part of the Littlefield letter is confined to the ordinary details of life in the Civil War camps, with which many other letters have made us familiar. It contains the usual gripes, such as "It may be all right to make pack mules of us poor devils, but I cannot see it in that light." But what distinguishes the letter is the writer's sudden injection of astounding news. Let us have it in his own words.

"I will tell you of a strange circumstance that happened here a few days since. Perhaps you will think it rather an indelicate subject, but I must tell you about it and ask you to excuse me. A corporal in a New York regiment near us, while on picket a few days since, was delivered of a child. Perhaps you will think that incredible, but such is a fact. He, or I should say she, came with the regiment as a soldier and has been with it since its organization. Her sex has remained undiscovered until now, but most likely she will now get her discharge. I think she ought to have a pension in order to bring up the child in good style."

For a chance to see that amazing letter I am indebted to Richard Sturtevant of North Belgrade, who with his brother Laurence Sturtevant, has already supplied many interesting items for this program over the years.

Another recently found item is a letter written by Robert E. Pattison, when he was President of Waterville College in 1838. The letter was addressed to a very good friend and trustee of the college, William King, who 18 years earlier had been Maine's first governor. To Governor King the Waterville College president said: "I am very anxious to spend a few weeks at Harvard University, that I may make myself acquainted with whatever they have that is peculiar. This I cannot do except in the winter vacation. Besides this, friends in Boston have notified me that, if I will visit them, they will do something for the college. I can accomplish both objects by a single journey."

Why did Pattison say he could make no extended visit to Harvard except during the winter vacation? The answer is that, in 1838, the long vacation of the college year came in the winter in order that the students might have opportunity to teach a full term in the public schools during the winter. The college year was then composed of three terms. The fall term began in September and closed just after Christmas. Then came the long vacation, with the spring term opening early in March and closing in May. It was followed, after recess of only one week by what was then called the summer term, from late May to the middle of August. The year ended with the commencement exercises about August 20th.

President Pattison's letter to William King had the following postscript: "You, Judge Weston and Mr. Marsters were appointed at our last meeting a committee to solicit aid of the Legislature at their approaching session. I hope, dear sir, that it may come before that body at a favorable time, for although I am far from sanguine as to the result. I hope that something will be done. Mr. Boutelle will supply all necessary facts."

The Mr. Boutelle referred to was Waterville's leading citizen, Timothy Boutelle, who was then treasurer of the college. Every year, after Maine became a separate state, the struggling new college at Waterville got a small grant, never more than $3,000 and often as little as $1,000. But those grants ended in 1833, and even with the prestige assistance of William King, President Pattison's attempt to secure another grant in 1838 met with failure.

Now, as we close this 500th broadcast, I want to express my appreciation of Carleton Brown, President of Kennebec Broadcasting Company and Manager of this station WTVL. To him and to his staff, especially the several young men, who from time to time have announced this program, I am profoundly grateful.

[First Broadcast]

LITTLE TALKS ON COMMON THINGS

(With Ernest C. Marriner)

NOVEMBER 14, 1948.

The uncommon and unusual excites and thrills us, but all our lives we are touched

with ordinary things that are significant and sometimes even spectacular. Abraham Lincoln once said: "God must love the common people, he made so many of them," So it is that we common people, both he who speaks and those who listen, are asked to think for a few minutes about life's common things.

There is an old saying that begins "as inevitable as . . ."; you know the rest of it. Yes indeed, one of life's most commonest things is taxes. A prelude to these programs therefore came last Sunday evening when the Mayor of Waterville, Hon. Russell Squire, presented the sound, unanswerable case for a local taxation survey. The mayor explained the decision of the city government to employ professional valuation experts to survey all real estate holdings in Waterville and establish new evaluations for tax assessment. Every local citizen should approve. Tax valuation ought to be on an impartial, scientific basis. Perhaps some day we shall see that this is only a beginning and that all our municipal services should be operated by business methods under an impartial administrator, responsible to no political party. The taxpayer is interested not only in paying a fair tax in comparison with his neighbor; he is interested also in getting maximum services for his tax dollars. In local democracies we make haste slowly; but in the long run, partisan interests cannot prevail over the common interests. Let us be grateful that we have a mayor and a city government willing to make a start in that direction.

How common, yet how mysterious is the miracle of birth. A future king of England was born today, amid age-old ceremony, in Buckingham Palace. What sort of an England will he rule? Is the old England dying, the old empire fading away? The little prince in Buckingham Palace, now only a few hours old, may symbolize for Old England what Tennyson wrote at the end of his Idylls of the King. The Round Table of the glorious knights had fallen apart; King Arthur was dead; the sword Excalibur had sunk into the sea. As old Sir Bedivere watched the flaming sword drop beneath the waves, "the sun rose, bringing the new year." For the little prince, may someday the sun rise bringing England a new era.

One of life's commonest things is hunger. How easily most of us satisfy it in this American land of abundance. But how very hungry we city folks would get if it were not for the farmer. In our persistent cry for better urban services, he is often forgotten. So I want to share with you a bit of writing that recently came to my attention. I have a neighbor who occasionally hands me copies of a weekly newspaper published in his native Scotland. It is the Peebleshire News, put out in southern Scotland just north of the English border. In its issue of June 11, 1948, appeared an editorial that applies equally well to the farmers of Maine. Here is part of it:

"Our rural people pay high taxes, sometimes in excess of the cities, and yet they do not have the same services. People are moving away from the farms of Scotland. If this depopulation continues, rural Scotland may become a national park for which the industrial areas will have to pay. We see towns and cities extended, eating up more and more agricultural land, and we take it as a sign of progress. Gone is the day of praising healthy life on the farm."

That was published in far-away Scotland. Perhaps it doesn't apply to Maine. Never having lived on a farm, I cannot claim to be sure about it. But I do know that a shrewd observer of Maine life who was brought up on a farm, had a very definite opinion. That observer was Arthur J. Roberts, President of Colby College, who used to say: "In Maine, farming isn't an occupation; it's a misfortune."

Let us who live in the city ever be mindful of our dependence upon the farms. Let us support vigorously every effort to extend modern services to the rural areas.

Is devotion a common thing? Isn't it unusual? Not at all. We see it all around us. A mother lavishes sacrificial devotion on her child. A father goes without things for himself that his family may have more. Not all employees are clock-watchers. Many are devoted to their work.

Devotion is a precious common thing, but it rarely hits the front pages of our newspapers. It is eventful, therefore, when a great metropolitan newspaper gives space to the devotion of a man who died 150 years ago. Last Monday, filling two columns of the first page, and running over to fill an entire inside page of the New York Times, was the story of the long-lost Boswell Papers. In the 18th century, James Boswell wrote what is considered the greatest biography in the English language, his life of Samuel Johnson, writing it as an act of devotion to the man with whom he spent day after day, recording the acts and sayings of the man.

After Boswell's death, his precious notes and journals became scattered and neglected. For more than a hundred years no one knew whether they still existed or had been destroyed. Then began another story of devotion. Col. Ralph Isham, a young officer in the First World War, determined to spend his time and fortune collecting every scrap of paper connected with Boswell. During the past 25 years he had gathered those papers from dusty rooms in Scottish castles, from an old croquet box, from barrels in mouldy cellars, from trunks in cobwebbed attics. The arrival of the whole collection in the United States, on its way to Yale University, was the occasion of the New York Times' story. Waterville is interested in this discovery, because at Yale the papers will be studied and eventually published by a Colby graduate, Dr. Frederick Pottle.

Dr. Pottle will prepare for modern readers not only details of the association of those two men, Boswell and Johnson, but the contents of hundreds of letters addressed to Boswell by the great men of his time, such as Joshua Reynolds the artist, Alexander Pope, the aged poet, and members of the royal court.

The whole story is a serial of devotion, of Boswell to Johnson, of Col. Isham to the public cause of finding the missing Boswell papers.

Another common thing is hero-worship. Every boy has a time in his life when he adores some man and wants to be like him. Many of us have felt the stirring influence of some person whom we have come to idolize. Yet, did you ever stop to think how rarely it happens that we ever know personally and intimately anyone who can truly be called great? Have you ever had a speaking acquaintance with a truly great man? Perhaps you have and do not know it, because really great men seldom advertise their greatness.

So, perhaps without being aware of it, many of us in Central Maine have known well a great man. For Rufus Jones was truly great—a great mystic, a great Quaker, a great teacher, a great humanitarian, a great soul. Shortly before he died, a friend said to Rufus Jones, "You must write one more book, a book that will help modern folks who have the scientific outlook to find their way back to vital religion. Many people have stopped going to church because what they hear there is at sharp variance with that they know."

So now, a few months after Rufus Jones' death, appears his last book, "A Call to What is Vital," a book which he says he wrote in sympathy with folks who say "I'd rather see where I'm going than remember where I've been."

In this little book of 140 pages that great world citizen, a native of Maine, interprets the dynamic force that activated his own wonderful life, a religion that accepts the facts of science, but clarifies those facts by revelation and by faith, by what the Quakers call the inner light.

In simple, impressive prose, this great son of Maine, bids us heed the greatest story ever told and emulate the greatest life that ever lived.

And now, at the close of this first Little Talk, we say as the old preachers used to say, "Here endeth the first lesson."

BIOGRAPHICAL SKETCH

ERNEST C. MARRINER

Native of Maine. Born, Bridgeton, 1891.

Graduate of Colby College; Honorary degree of L.H.D. from Colby and from University of Maine.

On faculty of Colby College, 1923–1960, as Professor of English, Dean of Men, Dean of Faculty, and College Historian.

Author of four books on Maine history and biography, and of articles in Down East, Maine Life, and other publications.

For 23 years, 1949–1972, member of the Maine State Board of Education, and twice its chairman.

Chairman of state-wide commission appointed by Governor Reed in 1964, to present to the Legislature a plan for State Archives. Chairman of Archives Advisory Board, when Archives became an agency of state government in 1965.

Present Activities: Historian of Colby College; Member, State Archives Advisory Board; President, Waterville Historical Society; Trustee, Maine League of Historical Societies; Chairman, Board of Trustees of Thomas College; Trustee, Waterville Public Library; and Member, Central Maine Library Council.

"Little Talks on Common Things"—First Broadcast, November 14, 1948; 1000th Broadcast, February 10, 1974; Program now in its 26th consecutive year.

[From the Maine Sunday Telegram, Feb. 10, 1974]

DEAN MARRINER PRESENTS 1,000TH BROADCAST TODAY

(By Irv Faunce)

WATERVILLE.—Back in 1948, Sunday night radio was definitely "prime time."

At 6 o'clock there were 15 minutes of the fast-paced patter of Walter Winchell and at 6:30 the pointed commentary and journalistic diggings of Drew Pearson.

But for Carleton Brown, owner and station manager at WTVL here, that 15-minute hiatus between the "big-leaguers" presented a problem. He needed a show, a good one. And that show would need a sponsor.

Brown, a 1933 Colby graduate, went to his friend and former teacher Ernest Cummings Marriner who, at that time, was dean of the faculty and professor of English at the college and a veritable "walking archive" of Maine history.

"He had a voice that had the ring of Franklin Roosevelt in those days," Brown is fond of recalling. "It had a timbre of believability."

Dean Marriner, himself a 1913 Colby graduate who in 1963 was to write the definitive history of the college, agreed to do some sort of show in that time period. When pressed by Brown for a catchy title, Marriner waved him away saying off-handedly, "We'll call it 'Little Talks On Common Things.'"

Somewhere in that formula there was a magic ingredient that contemporary packagers of entertainment would no doubt want to lay their finger on because today Dean Marriner will present his 1,000th consecutive broadcast of "Little Talks On Common Things."

What is more, the sponsor for today's presentation will be the Keyes Fibre Company of Waterville, the very same firm which originally agreed to pick up the tab in 1948.

And this has been no hard-sell package. According to Brown "the program has never been used to 'sell soap.' We open and close with an acknowledgement of the sponsor but never once have we interrupted the Dean's program for a commercial message."

Brown, along with his son David who is now station manager, is convinced that all this represents radio history and perhaps a slot in the Guiness Book of World Records—Longest consecutive string of radio broadcasts and the longest running show under one sponsor.

Accordingly, today's show will be heard by a statewide network of raido stations eager to focus attention on the Dean's accomplishments. "Little Talks" will be heard on stations in Rockland, Farmington, Bath, Bangor, Presque Isle, Portland, Lewiston, Biddeford, Augusta, Sanford, Poland Spring and Calais.

State Sen. Paul Huber of Rockland has introduced into the Maine Legislature a resolution honoring the Dean and his contribution to state and national radio history. A text of today's show will be made a part of the Legislature's record and will be read into the Congressional Record by U.S. Sen. Edmund S. Muskie.

As it has for all these years, today's show will focus on a fascinating variety of Maine topics. It will be in its usual time slots of 1 and 6:15 p.m.

Dean Marriner will be talking about ventures of early pilgrims to the coastal settlement at Pemaquid; about the first vessel ever built on the North Atlantic Shore (it was built in 1607 at the mouth of the Kennebec); and of the origin of the term "Down East."

He will describe the first money crop for Maine settlers (it was ashes); will give a quick look at Maine geography and the state's exports (the most notable of which the Dean claims is people); and finally will present this vignette about inventor Martin Keyes.

"Envisioning the possibility of throw-away dishes made from molded wood-pulp, Keyes suffered many disappointments and frustrations before, in the first decade of this century, in a tiny mill in the little hamlet of Shawmut, he turned out the first useable and saleable dishes from wood pulp.

"That was the beginning of the Keyes Fibre Company with plants now in five states and several foreign countries."

Passing milestones has by now become somewhat routine for Dean Marriner who, at the age of 83, continues an active deeply involved pace.

He is Colby's historian and chairman of the board of trustees at Thomas College. Colby named a dormitory for the Dean and the Thomas library carries his name. He served Colby as librarian, bibliographer, professor of English, dean of men and of the faculty.

He was principal of Hebron Academy before that, served as chairman of the State Board of Education for 20 years and as a chairman of the Maine Archives Committee.

[From August 1961, U.S. Radio magazine]

CAN A SPONSOR BE SILENT AND SELL?

Fourteen years ago, on a tiny station in central Maine, an experiment was tried that went one step beyond the soft sell. It was the silent sell.

The Keyes Fibre Co. of Waterville, Maine, a manufacturer of paper products, was in the market for a vehicle that would boost its status with the local community. The company turned to radio, but added an unusual twist: it decided to sponsor a program without commercials.

The program turned out to be a gold mine in the heart of the Maine lumber country. It is now New England's longest running show with the same sponsor.

For more than 500 broadcasts, the program, Little Talks on Common Things, has yet to broadcast its first commercial. The man who delivers the "little talks" is Ernest C. Marriner, a former college professor who speaks like Franklin D. Roosevelt. For 15 minutes every Sunday, Marriner chats about the folk and folklore of the state of Maine.

The program was an early success. Sen. Margaret Chase Smith in a tribute to Marriner printed in the Congressional Record this year said the show is "undoubtably the most popular local radio program in the state of Maine."

Sponsoring a program without commercials is not a foolproof method of improving local public relations, but Keyes found the key by identifying itself with a respected member of the community. This was the strategy from the beginning.

Recalling the early attempts to garner a sponsor for the program, Carleton D. Brown, president of WTVL Waterville, said, "We were convinced that in Ernest Marriner we had found a colorful local personality who could build stature for both a good sponsor and for our station, so we selected Keyes as our best potential. They had the money, and we felt the company management had a good record of community responsibility.

"We proposed that the concern undertake a public relations program sponsorship. We knew that Marriner had the capacity of achieving an unusually high degree of believability with any audience, particularly a radio audience. We pointed out to Keyes that they could get a franchise on what could be an extremely valuable insurance policy."

Marriner was not a professional performer when he began his broadcasts in the fall of 1948. In fact, he originally appeared on the program in response to a plea from Brown, his close friend and neighbor. Brown needed a temporary replacement for a 15-minute spot on Sunday evening. "It will only be a few weeks," Brown told Marriner, who was hesitant about going before the microphone. "I didn't care what he talked about as long as he would talk," Brown recalls.

Marriner did talk—and hasn't stopped since. He has talked about everything from Waterville's first murder to the history of Maine's narrow gauge railroads.

Soon after Marriner took to the air, happy listeners swamped the station with letters. The volume of mail has been so huge that since the third broadcast, the grey-haired former Colby College dean has found it unnecessary to do his own digging for material.

Listeners send him old letters, newspapers, dairies, account books and maps, keeping him submerged in a pool of Maine folklore.

In one broadcast, Marriner told about a letter sent to him that was written by a soldier in the Civil War. Marriner explained that "the greater part of the letter is confined to ordinary details of life in the Civil War camps, but what distinguishes this letter is the writer's sudden injection of astounding news." He then quoted from the letter:

"I will tell you (the writer's cousin) of a strange circumstance that happened here a few days ago. Perhaps you will think it a rather indelicate subject, but I must tell you about it and ask you to excuse me. A corporal in a New York regiment near us, while on picket a few days since, was delivered of a child. Perhaps you will think that incredible, but such is a fact. He, or I should say she, came with the regiment as a soldier and has been with it since its organization. Her sex has remained undiscovered until now, but most likely she will now get her discharge."

Throughout the 14 years, Keyes has remained quietly in the back ground as a silent partner. In his 500th broadcast in May, Marriner paid tribute to his sponsor. "An important aspect of this program," he said, "is that it is one of the very few radio programs in the whole nation that has continued for 39 weeks each year—and under the same sponsor.

"Putting and keeping *Little Talks* on the air would have been quite impossible without the sponsorship of the the Keyes Fibre company. I am sure listeners appreciate that, from the day these broadcasts started, they have never been interrupted by advertising. Never once has the company sought to control the contents of the program. I am completely free to say anything I please."

Keyes believes this policy of nonintervention has paid off in better community relations. This was the company's original goal in sponsoring the program and Keyes intends to maintain its policy of no commercials.

The company's view is explained by John S. Parsons, the advertising manager. "The program developed from quite a different point of view than the sale of products. In fact, we have never commercialized this program in any way but have considered it as a community relations vehicle throughout. It has unquestionably built many friends for Keyes," he said.

Most of Marriner's programs usually begin and end with the short announcement that "This program is brought to you by your good friends, Keyes Fibre Company of Waterville and Shawmut." From time to time, Keyes will use the show to encourage support of various community fund-raising drives.

Besides supporting the Marriner program, Keyes relies heavily on radio to push its consumer line of molded paper plates. Last year, the company ran a spot campaign during the summer in nine major cities throughout the country.

Parsons explained that they have found "local radio particularly effective for warm weather promotions, when we want to push our molded paper plate and dish line for picnic and other outdoor uses."

Most of the advertising budget is allocated to trade magazines because the bulk of Keyes' product sales are made to institutions, supermarkets and shippers.

The company produces more than 300 different varieties of paper products, including fruit packing materials, egg flats and egg cartons. The company's domestic sales last year totalled more than $19.5 million.

Regional sales offices are scattered over the United States from Boston to San Francisco and as far south as Jacksonville. Keyes also has licensed operations in Canada, England, Ireland, Denmark, Norway and Australia.

The company was founded in 1903 in Shawmut, Maine, where it still maintains its ground wood pulp mill. The principal manufacturing plant is located in nearby Waterville.

Since the late forties the company has been literally bursting at the seams. Increased sales prompted the company to build a plant at Hammond, Ind., to serve the middle west. In 1957, Keyes doubled the capacity of the Hammond plant. Meanwhile, the company modernized its Waterville plant to speed up production.

Keyes is far from finished. Last month, the management announced that ground had been broken in Sacramento, Calif., for a multi-million dollar pulp molding plant. The new plant will be the largest industrial addition to Sacramento in the last nine years.

Keyes expects to open the plant in the middle of 1962. The factory will manufacture molded paper products for the food industry, including plates, pre-packaging meat and produce trays, food service trays, cake circles, apple packs and egg trays. It will serve 11 western states as well as Hawaii and Alaska.

The company estimates that about $5

million worth of products will be produced annually for the first few years.

More than five years of planning and research backed up the company's decision to launch its latest venture in Sacramento. The management made the choice after an extensive study of several possible west coast locations.

Keyes is a company on the move. And one reason for its success is its desire to maintain friendly relations with its local community, particularly with the local labor force. This spurs its continuance of a radio program without commercials.

WHY KEYES FIBRE SPONSORS A PROGRAM WITHOUT COMMERCIALS

Keyes fibre 14 years ago decided to embark on a radio program that was designed to foster community respect for the company. For more than 500 broadcasts it has maintained this policy of attracting community interest and developing good will. This is the Keyes Fibre philosophy as explained by John S. Parsons, the company's advertising manager:

He says: "The program on WTVL developed from quite a different point of view than the sale of products. We have never commercialized this program, but have considered it as a community relations vehicle . . . We have never attempted to promote the company's line of products via the program, although we have used the program to encourage support of various community fund-raising drives . . . It has unquestionably helped build many friends for Keyes . . ."

NATIONAL STRATEGIC POLICY

Mr. THURMOND. Mr. President, there appeared in the March 1974 issue of Air Force magazine a statement adopted unanimously by the Board of Directors of the Air Force Association in Washington, D.C., on February 9, 1974.

This statement is one of the finest presentments on strategic policy it has been my pleasure to read. It endorses the shift in national strategy as enunciated by Secretary of Defense Schlesinger.

Mr. President, it is my hope that every Member of Congress and as many citizens of our Nation as possible will read this strong and concise declaration of a national strategic policy. It recognizes the realities faced by the President and endorses a defense situation which will assure the survival of our Nation.

Mr. President, I ask unanimous consent that this statement be printed in the RECORD at the conclusion of my remarks.

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

STATEMENT

The need for rethinking US strategic concepts, stemming from radical changes in world power equations that have taken place in the past year, is now recognized. As a result, a basic and welcome change in the strategic plans and policies of the United States is beginning to take shape.

The risky and rigid strategic concept of assured destruction is giving way to a more flexible, more realistic deterrent doctrine incorporating counterforce—the ability to destroy an attacker's essential military targets, both soft and hard—making it possible to respond in kind to less than all-out nuclear aggression.

The Air Force Association endorses this shift in national strategy, with its greatly expanded emphasis on purely military targets rather than on military-related industrial and transportation targets and population centers. We commend Secretary of Defense Schlesinger for his sure grasp of the advantages of a strategy incorporating counterforce capabilities and for articulating these advantages so convincingly. We welcome the initiatives taken in the Administration's FY '75 budget that support such a strategy.

It remains now for the Administration, the Congress, and the American people to bring into being, and to maintain, the military and political apparatus required to make a counterforce-oriented strategy possible, workable, and believable.

Recent advances in Soviet military technology, together with the disarray among US allies arising from the Middle East confrontation, permit no other reasonable choice to the United States.

Counterforce too often is wrongly equated with a destabilizing first-strike posture. Counterforce likewise is seen by critics as ensuring continuance of an arms race. The first of these claims is not true. The second ignores even worse alternatives.

What is true is that counterforce weapons in the hands of the Soviet Union, without tangible evidence of an off-setting US capability, would create intolerable pressures on our national leadership. The US eventually would be reduced to a high-risk dependence on bluffing, and the nation's ability to maneuver diplomatically would be paralyzed. Doubts concerning US capabilities and intentions would proliferate, not only in the Kremlin but among our allies.

The world balance of power would shift, first into a period of precarious stability, and ultimately into a situation of one-way deterrence, with the Soviet Union in the driver's seat.

Whatever risks may be associated with an arms race, the greatest risk of all would be for the United States to finish second best.

A credible counterforce capability thus becomes essential to a credible US deterrent posture. In a counterforce strategy, the segments of the US Triad become even more interdependent one upon the other, with land-based ICBMs remaining the principal counterforce weapon. Therefore, it becomes a matter of urgent priority to exploit more fully the inherent counterforce capabilities of our ICBMs. These are limited in number by the SALT I agreements, and hence can only be upgraded qualitatively—in accuracy, yield, and numbers of warheads, plus hardening of launch sites.

Failure to maintain at least essential equivalence, overall as well as key counterforce capabilities, would be dangerous, provocative, and irresponsible.

Compounding these factors is the declining US investment in military-oriented scientific research over the last decade, especially when set against a steadily increasing Soviet level of effort. There is real danger of major technological surprise in the years ahead. US defense research is down some twenty-five percent since 1964, while the Soviet effort has increased manyfold over the same period.

The signs are ominous, US scientists and associated experts know of the existence of dozens of advanced Soviet research projects whose nature and purpose defy assessment. Among these projects may well be the seeds of a technological breakthrough to rival or exceed the combination of the nuclear warhead and the ICBM.

The Air Force Association, therefore, urges the Administration and the Congress to take the following essential actions and to assure their continuance in the interest of stability in the world:

An increase in basic military R&D sufficient to make up for lost ground in order to maintain a position of technological superiority;

Development of technological options, beyond the present family of strategic weapons, so that Soviet numerical superiority of strategic weapon systems accorded by SALT I is not reinforced by qualitative superiority as well;

Upgrading of our ICBM force to achieve full counterforce capabilities;

Expeditious development and deployment of the B–1 strategic bomber as essential insurance against potentially decisive technological surprise;

Full funding of current force modernization programs to maintain the US ability to credibly deter conventional war;

Expansion of the US strategic airlift capability; and

Maintaining the manpower of the armed forces, both the Reserve components and the active-duty forces under the total-force policy, at levels in consonance with their mission of deterring nuclear as well as conventional war.

WASHINGTON POST AND OTHER MEDIA CONTRIBUTE TO UNDERSTANDING OF HANDICAPPED

Mr. RANDOLPH. Mr. President, as chairman of the Subcommittee on the Handicapped, I am gratified that recently increased attention has been given in the press and on television to the problems of handicapped individuals. I am even more reassured that the content of these articles and programs has been very enlightened—the problems have been clearly defined and the possible solutions have been explored.

Above all, the attitude of the writers and interviewers has been one of total respect for the individual's dignity with positive emphasis on accomplishments and potential. It is precisely this attitude which will inform the American public about handicapped persons and bring about the public awareness necessary to secure increased opportunities to which they are entitled.

On February 28, the Washington Post published an article "Pediatrics: Treating the Whole Child" by Thomas Brubisch. This material concerns the work being done by Dr. Mark Ozer, director of the program for learning studies at Children's Hospital, and his staff, on learning and behavioral problems. I urge all who are interested in this field to read this stimulating article on the relationship between the child and his or her environment.

Mr. President, I request unanimous consent that this article be printed in the RECORD.

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

PEDIATRICS: TREATING THE WHOLE CHILD

(By Thomas Grubisich)

It doesn't take a diagnostic genius to figure out what is ailing most children in a pediatrician's waiting room. Amid the Jack & Jill magazines, Dr. Seuss books and clattering, clunking toys are youngsters who are showing or saying exactly what is wrong with them; their noses are running, they are coughing, they are holding a supporting hand to their stomach or ear.

But what does the pediatrician do when a child has problems that may not show up in the examining room, that won't be revealed in laboratory tests, that the parents may even be reluctant to talk about—problems of learning or behavior?

Dr. Mark N. Ozer, director of the Program for Learning Studies at Children's Hospital,

thinks that pediatricians should get involved in these problems, even though they usually don't have anything to do with the diseases student doctors learn about at their medical schools and in their hospital residencies. Doctors should get involved, Ozer says, because learning and behavior are part of a child's development—and development, as much as disease, is a pediatrician's concern.

Yet, says Ozer, many doctors, haven't been trained to deal with these sometimes elusive problems.

In the medical schools and hospital residencies, the emphasis has been on identifying diseases and on immunology. That emphasis, though, is being challenged. Speaking of pediatric education, Dr. Robert G. Frazier, executive director of the American Academy of Pediatrics, said in an interview, "The academy has felt there is an imbalance and inappropriate training. There's been a question whether the technology of health learned in medical school is appropriate to the problems of practice."

Frazier said there is a need for "more general pediatricians to provide the general care children need. Such care, he said, would include dealing with learning and behavior disabilities, which he defined as a "major health problem."

Some changes are occurring. George Washington University Medical School changed the name of its pediatric department (which is Children's Hospital) to the Department of Child Health anrd Development, and has instituted (and charted on paper) programs it hopes will reflect the new emphasis on development.

According to various estimates, 10 to 15 per cent of all school children have learning or behavioral problems that require special attention. The children can't concentrate or read, they are disruptive or withdrawn, they don't seem to listen. Often the problems are scattered: A child may have a good verbal ability, but be a poor reader.

In the past 15 years or so, medicine and other professions and disciplines, ranging from optometry to psychology, have developed a variety of labels for learning and behavioral problems: minimal brain dysfunction (to cover a whole constellation of them), dysgraphia (impairment in writing skills), dyslexia (inability to read words), auditory sequential memory handicap (inability to recall a series of instructions).

Ozer thinks many of these problems do require the help of specialists like therapists, but still training, he emphasizes doesn't deal with the whole child—his relationship with his parents, teachers, peers, every part of society he encounters.

Ozer said pediatricians should be concerned with the whole child, how he develops not only as a body but as a person.

To do this, Ozer said, pediatricians have to be knowledgeable about problems of behavior and learning. Being knowledgeable, he said, doesn't simply mean applying technical labels ("They don't tell you what to do"), Ozer said, it means working closely with the parents, and even the school.

"What we're trying to say here at the center is not that something is wrong with a child or parent," he said, "but what can we do about the relationship in which they both participate?"

Parents of children with developmental problems often have a negative image of themselves. So when Ozer asks them questions, he "turns the whole thing upside down. You ask what things worked with the child, not just what went wrong. We ask for information to show how the parents have coped. The glass is half full as well as half empty."

This approach, Ozer said, builds up the parents' confidence, and it also shows them that their child does do things successfully, that his problems may involve only a small part of his total behavior.

To detect and deal with developmental problems in a child takes not only skill but time. Ozer said pediatricians ought to be abe to space their office hours and adjust their fees to permit conferences with parents of children who may have such problems. A few skillfully put questions about behavior at home and school, consuming no more than five minutes, can usually determine if a longer conference—15 to 45 minutes—is necessary. One productive extended conference may not require any future ones, Ozer said, only periodic calls into the office by the parents.

In a 45-minute videotape, he made of an actual meeting he had with the parents of a 7-year-old boy, Ozer tried to show what rule a pedatrician could assume.

The child's delivery had been difficult, and shortly after birth he had several seizures, though none thereafter. The boy had problems working with his hands, following instructions and pronouncing certain sounds. His condition had been diagnosed as cerebral palsy and he had been given speech therapy, but his parents still felt a sense of helplessness and frustration in dealing with him. Besides there were unresolved problems at school.

During the meeting, Ozer continually tried to find out "what worked" with the boy, what did he do that was right.

With the boy, Ozer went through what he calls a neuro-development observation keyed to his main problem at school—following instructions. Ozer asked him to perform a series of tasks—raising and lowering certain fingers, connecting a series of dots on a sheet of paper. Each exercise was a little more complicated than the previous one.

The boy had some trouble during the more complicated exercises, but when Ozer repeated the instructions more slowly, eliminated deliberate distraction or demonstrated the tasks himself, he completed them all successfully.

The big smile on the boy's face seemed to be a clear indication that he was enjoying discovering that he could do things he had thought he couldn't.

"Why did it work?" Ozer asked him after one successfully completed exercise.

"It went slower," the boy said.

"So when somebody asks you to do something, you can ask them to repeat what they said slower, can't you?"

"Yeah."

Questioning the parents, Ozer was told the boy sometimes had difficulty getting ready for bed. Actually, though, what the boy had difficulty doing was several things in smooth sequence: Going upstairs, taking his clothes off, taking a bath, and then putting his pajamas on.

Lately the boy was putting his pajamas on by himself—it was the steps leading up to that over which he stumbled.

Ozer asked the parents if they couldn't work on one step at a time, until the boy could perform the entire sequence smoothly.

He also reminded them of something he had learned from the boy: "Do you think it would help Billy (a pseudonym) if he could tell you when he wants you to tell him things more slowly?"

"Yes," they both said.

"Then it's a deal," Ozer said.

Ozer also asked the boy what he thought the teacher should be asked to do to help him in school. The boy replied, "Say things more slowly."

After learning that the school graded students downward from a possible perfect score, Ozer asked the parents: "Could we set some kind of goals together and talk this over with the school and ask for a more positive communication?"

Ozer thinks the meeting accomplished several things. The boy was given a chance to make some decisions and thus enhance a self-image that had been battered at home and in school. The parents saw that by dividing tasks into smaller components, their boy could complete them. The school was being brought into the co-ordinating process to help the boy cope better.

At the Program for Learning Studies, Ozer gives crash training programs for pediatricians, from the Washington area and beyond, who want to know more about learning and behavioral problems. He develops models of neuro-developmental observations that can be used by physicians and paraprofessionals in school systems. He also speaks before groups of pediatricians and shows the videotape of his conference with Billy and his parents.

"The child is your client if you're his pediatrician," Ozer said. "You're interested in both his physical and mental growth. Obviously this is not the way it's done now, but this is definitely the policy of the Academy of Pediatrics, and of (Children's) hospital."

HOUSING FOR LOW-INCOME RURAL FAMILIES

Mr. HATHAWAY. Mr. President, yesterday I introduced amendment No. 1002 to S. 3066, the Housing and Community Development Act of 1974, an amendment to set up a demonstration program under the Farmers Home Administration to provide housing for low-income rural families not served by existing housing programs. I stated at that time that the additional cost of this program, over and above that of existing subsidy programs, would be minimal, while the benefits to low-income rural people would be substantial.

A cost analysis done on the impact of this proposed program indicates that the additional cost to the Federal Government would indeed be minimal—an estimated $1.5 million a year, based on a projected maximum for the year of 10,500 deferred principal mortgage loans. This is a small price to pay to provide decent housing for poor families in rural areas.

Mr. President, I ask that the full text of the explanation of costs for this amendment be printed in the RECORD.

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

EXPLANATION OF COSTS

SEC. 513a(3)—Extending subsidy for ownership under Sec. 502 Loans

The proposed amendment would extend home ownership subsidies under Farmers Home's Section 502 loan program by permitting deferral of repayment on up to 50 percent of loan for varying periods of years.

The existing interest subsidy program of Farmers Home has not been effective in meeting the needs of families with incomes below $4,000. The median family income for Farmers Home Administration borrowers receiving interest subsidies was $6,400 in fiscal year 1972. However, two-thirds of the families living in substandard housing in rural areas have annual incomes of less than $4,000. The purpose of this amendment is to extend the available home ownership subsidy in order to meet the needs of lower income families.

It must be recognized that the cost of providing decent housing to lower income families will be substantial. There is no costless or inexpensive way of providing housing assistance to the poor. However, the anticipated impact of the expanded home ownership assistance program proposed in this section would not be excessive.

The attached table presents the costs of a typical Farmers Home loan financed under three alternative loan programs, i.e. and unsubsidized loan at 8.5 percent interest, an interest credit loan at one percent interest, and a deferred interest and principal loan carrying a 50 percent capital subsidy. The table also outlines the different income levels which can be served by the alternative subsidy programs.

As reflected in the table, the public subsidy involved in reducing the interest rate from 8.5 percent to one percent as under the current interest credit program is $880 per loan per year. ($1,450 less $570=$880) Under the proposed extended subsidy program, the total additional annual public subsidy involved is $280 per loan per year. ($570 less $290=$280)

The overall additional cost to the government of this extended subsidy will obviously be dependent upon the approved program level. For fiscal 1974, the Congress has earmarked $1.1 billion for interest subsidy loans under Farmers Home's Sec. 502 loan program. This would finance approximately 70,000 homes at an average cost of $16,000.

As proposed in the amendment, the provision of extended subsidies would be limited to 15 percent of the total subsidized Sec. 502 loans. As a result, the maximum number of deferred principal loans would be approximately 10,500. (70,000 loans × 15%=10,500.) For the purposes of estimating probable costs, it is anticipated that on the average, 25% of the principal (rather than the maximum of 50%) will be deferred, which would result in an average additional annual subsidy of $140. It is therefore estimated that the total additional cost to the government resulting from this amendment would be $1.5 million per year. (10,500 loans × $140 subsidy=$1.5 million.)

TABLE A.—COMPARISON OF FAMILY COSTS ON FMHA REGULAR INTEREST LOANS, INTEREST CREDIT LOANS AT MAXIMUM 1 PERCENT LEVEL, AND DEFERRED PAYMENT LOAN AT MAXIMUM LEVEL AND THE EFFECTS ON MAXIMUM FAMILY INCOME REQUIRED TO BE ELIGIBLE

$16,000 loan (33 yr)	No subsidy 8.5 percent interest	Interest credit, 1 percent	50 percent deferred
Loan amortization (annual)	$1,450	$570	$290
Taxes/insurance	350	350	350
Total annual cost to borrowers	1,800	920	640
Gross family income required:[1]			
For 6 member family	10,737	6,105	4,632
For 4 member family	10,105	5,474	4,000
For 2 member family	9,474	4,842	3,368

[1] Based on FmHA formula.

TREATMENT OF U.S. PRISONERS BY NORTH VIETNAM

Mr. THURMOND. Mr. President, there appeared in the March 1974 issue of Air Force magazine an article entitled "MIA/POW Action Report."

Authored by Mr. William P. Schlitz, assistant managing editor of Air Force magazine, this article takes note of statements made by American POW's of the Southeast Asian war.

This report and others which have appeared in national media clearly document the inhuman treatment afforded our POW's by North Vietnam. The torture they were subjected to should be recorded and it is pleasing that many of them are writing articles or books toward this end.

Some time ago I recommended that the Senate undertake an investigation into this subject, because it is my judgment that the terrible treatment accorded to our POW's should be a matter of public record for the world to examine.

The citizens of our Nation and of the world need to be reminded that Communist governments are totalitarian in every sense of the word. Human life to them is not sacred and the state is all powerful. This viewpoint should be kept in mind as we try to exist or deal with nations with Communist governments. These governments break agreements whenever it is to their purpose to do so. Any concessions they might make are merely preparatory to further steps looking toward extending their system of government throughout the world. The leaders of these governments have never disavowed their goal to communize the world. Indeed, their basic philosophy requires such a policy.

Mr. President, I ask unanimous consent that this article be printed in the RECORD.

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

MIA/POW ACTION REPORT

(By William P. Schlitz)

"THEY WOULDN'T LET US DIE"

It was the keys. You'd hear them jingling. They always like to jingle things. They're like kids in many ways. Then, the next thing you'd hear is that the jingling would stop in front of your door. . . .)

In this chilling fashion, Dick Stratton, a Navy pilot shot down in January 1969, describes how it was to be a prisoner in North Vietnam, waiting to be taken from your cell for another beating.

The American POWs of the Southeast Asia war are home now, and the books by and about them are beginning to flow (see p. 72 of the February '74 issue for a review of the Col. [Brig. Gen. selectee] Robinson Risner's account of his captivity). But these books, more than newspaper and magazine articles, television interviews, and public appearances, will serve as a permanent record and constant reminder to all Americans of what the POWs endured.

As for Dick Stratton and others like him, no need for reminders:

We pulled an experiment recently, I maintained that I would wake up and bolt upright in my bed if someone rattled some keys. So we closed the doors in the hospital ward in Oakland and a guy came by after I was asleep and rattled some keys and I bolted upright.

The quotes are from They Wouldn't Let Us Die, a book by Stephen A. Rowen (Jonathan David, Middle Village, N.Y.) about the POW experiences. The title alludes to prisoners in such wretched agony because of torture that they would have welcomed death.

Based for the most part on informal interviews with small groups of former POWs, the book chronicles in detail how the men dealt with the trials of their captivity.

For Maj. Konrad Trautman, an Air Force pilot shot down in 1967, the initial shock of bailout was quickly superseded by the more intense anxiety of capture:

I felt I had been through a time machine, from the year 2000 back to the year maybe 1000, perhaps 1000 B.C. The people were that primitive and crude, both in appearance and their dress, their conduct especially, and the tools they used to beat us with.

(A recurring sentiment expressed by most POWs was the feeling of helpless horror at being at the mercy of a primitive and brutal foe whose motives were incomprehensible).

What followed for many, at least in the earlier years of the war, were prolonged periods of isolation in solitary confinement. More than one POW maintained his sanity by utilizing such mental devices as building an imaginary dream house brick by brick.

Then there was the matter of the torture. A number of POWs expressed the belief that the purpose of the physical abuse was simply to break the men's will rather than the usefulness of any military or other information that might be obtained.

One Air Force pilot, Tom Kirk, shot down in October 1967, remembers his ordeal:

The toughest thing was the battle within myself as to how long I could hold out. Because I already knew that they were going to get it sooner or later. Physical torture will achieve the desired effect in a short period of time. I don't care who you are. If I strap you up or rope you up, short of killing you, I can subject you to such pain that in a relatively short period of time your mind is going to overcome what you call your will, and you are going to give something to get out of this pain, short of dying. . . .

In such distorted circumstances, a sense of value became very personal and individualized. According to Robert Craner, a forward air controller shot down in December 1967:

The one thing that gave me strength up there was not what I've heard other people expressing so often since we got back: faith in God or a sense of duty to country. The thing that kept my endurance up, that kept me conscientious, was my obligation to the other guys. . . .

The inhuman treatment of the POWs was also self-defeating in that it only served to bring the men closer together. Allen Brady, a Navy pilot shot down in mid-1966, derived considerable comfort in his guilt for succumbing to torture when he was told:

Don't worry. We don't know anyone yet who has not broken. They have broken everyone. Just try to hang in as tough as you can and tell them as little as possible. Don't feel bad about it. Just hang in there.

With adversity uniting them, the POWs gathered much strength from the communications net and military organizations they created within the prisons. Render Crayton, a Navy pilot shot down in 1966, commented on the effectiveness of this discipline in his camp:

The Vietnamese in a lot of cases thought if they took the senior men and put them in isolation, the organizational structure would fall apart. They couldn't have been more wrong because they would take the top man out, and the next man would take command. We were determined to do this down to the last man. . . .

Navy pilot Eugene "Red" McDaniel, downed in May 1967, put it more succinctly in describing how the military discipline bolstered the POWs' spirit and morale:

If you're in a room with forty people, you're gonna do with the wave. You're gonna think alike. That's the way we were. We didn't have any weak ones. If they were weak ones, they became strong ones.

There is something in the saga of the American prisoners of the Southeast Asian war that is considerably more than the sum of its parts. That this remarkable group of men behaved as they did under such trying conditions is an addition to the national heritage.

In the end, they not only endured—they prevailed.

PRESIDENT NIXON COMMENDED BY SENATOR RANDOLPH FOR SIGNING WATER RESOURCES LEGISLATION

Mr. RANDOLPH. Mr. President, I am gratified to report to the Senate that President Nixon today signed the Water Resources Development Act of 1974. This important legislation is now law, and its provisions will benefit many millions of our fellow citizens.

The act represents 2 years of work by the Congress. The conference report on the legislation was given final approval on February 21. On the following day I sent a telegram to the President urging him to sign the bill. That message was printed in the RECORD. I made a similar request in another telegram yesterday.

The response of the President, as reflected in his approval of the measure, was very reassuring to me. Therefore, I sent a telegram to the President today expressing genuine thanks for his action.

I ask unanimous consent that this telegram be printed in the RECORD.

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

MARCH 7, 1974.

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: Millions of Americans will benefit from the provisions of the Water Resources Development Act which you signed today. This positive action, in my judgment, was in the best interest of our country by continuing and strengthening one of the oldest proven Federal programs. Our water resources are great, but they must be properly harnessed and managed if we are to reap the maximum return from this national asset. Your approval of the act was a further commitment to a better future for our country and our people.

JENNINGS RANDOLPH,
Chairman,
Senate Committee on Public Works.

ACTION FOR PRIVACY, SENATOR HART'S RESPONSE TO THE PRESIDENT

Mr. MUSKIE. Mr. President, last Saturday, our colleague and good friend, the senior Senator from Michigan (Mr. HART) made a national radio broadcast giving the response of the congressional majority to the President's message on privacy legislation. Senator HART not only exposed the inadequacy of the administration's proposals; he also set out a detailed program of effective action to end government spying on citizens and to control access to criminal records in government files. As he pointed out, the President can prove the sincerity of his concern for privacy by taking five different but related executive actions, without waiting for legislative definition. Speaking for the Congress, he promised to work with the President to turn administration rhetoric into reality and said:

We look forward to a time when the tragedy of Watergate, and all it has come to represent, will also mark a decisive turning point in the preservation of our civil liberties.

Mr. President, Senator HART's speech forthrightly defines our concerns over official invasions of privacy. I ask unanimous consent that it be printed in full in the RECORD for the benefit of all who seek to understand the realities of this vital issue.

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

CONGRESSIONAL RESPONSE TO PRESIDENT NIXON'S MESSAGE ON PRIVACY

In his State of the Union Address, President Nixon promised to "make an historic beginning on the task of defending and protecting the right of personal privacy for every American."

That promise, subsequently outlined in the President's February 23rd radio address, turned out to be principally the naming of a new committee rather than a broad program of action.

The President's only specific proposal dealt with one small part of the problem—the serious threat to personal privacy created by widespread use of data banks or computers. And even that was a halfway measure.

Despite all the disturbing revelations of Watergate, the President made no promise to instruct his administration to live up to the guarantees of personal privacy contained in the Constitution, nor did he give his support to several bills dealing with this which are already before Congress.

The fact is that Mr. Nixon is almost 200 years late in proclaiming a historic beginning in protecting personal privacy for every American. That foundation was laid in the Bill of Rights of the Constitution. The Founding Fathers, having led a revolution against the dictates of a king, knew that the cornerstone of liberty was strict prohibitions against government intrusion in the personal lives of its citizens.

The First Amendment to the Constitution guarantees citizens the right to speak or remain silent about their political beliefs, whether or not those beliefs agree or disagree with the government.

That means the federal government has no right to spy on political opponents, but the Nixon administration did just that.

The Fourth Amendment guarantees the right of people to be secure from unauthorized searches of their person, their house and their papers, but some either involved with President Nixon's election campaign or associated with his White House staff broke into at least two buildings seeking information.

When government officials use Army personnel to spy on peaceful political meetings, as the present Administration did, your privacy is threatened. When government officials send burglars to break into the offices of doctors for confidential files as this administration did with its Plumbers squad, your privacy is threatened.

When government officials use the confidential files of the Internal Revenue Service to harass persons on a White House enemies list, as this administration did, your privacy is threatened.

When government officials eavesdrop on private conversations of political opponents, as this administration did, your privacy is threatened.

Many of these actions by our government have been defended on grounds of "national security," but we have come to understand that there is a wide range of constitutional abuses a determined political operative can seek to have excused under that mantle. And, indeed, the American people realize that.

A recent poll, for example, showed that 75 percent of those interviewed considered "wiretapping and spying under the excuse of 'national security' as a serious threat to people's privacy."

As the public learned about government spying and wiretapping, it became fearful. Many have come to believe that their phones are tapped, their homes or offices bugged, their mail opened, and their tax returns made available to officials who seek to punish them for political dissent.

This concern was underscored for me by a constituent who wrote not long ago. He (or possibly she) said he could not sign his name in a letter to his Senator anymore. He feared his letter might be intercepted and his name might go on a White House "enemies list".

While these fears may be exaggerated, they no longer can be dismissed as groundless paranoia. And they demonstrate the very real chilling affect on the exercise of First Amendment rights which the actions of the Administration have had.

No one denies that modern government needs certain kinds of information about its citizens to administer programs fairly and effectively. We must balance the right to be left alone against the needs of society. But we must always be guided by the need to keep government's ability to use information about private lives to the absolute minimum.

In his discussion of data banks, President Nixon did point to some very real threats to personal privacy. Federal agencies alone have files on every aspect of many of our lives—medical records, army records, school records, business records, to name a few. Consolidation of data could provide a tremendous amount of information for an unscrupulous official to use against us because of our views, our friends, or the way we live.

The pace of modern technology and data collection is a stiff challenge to maintaining privacy. However, and perhaps understandably in light of Watergate, the President chose to paint the primary threat as one of technology.

We have learned to our regret that, with or without sophisticated technology, unprincipled men can find ways to invade our privacy. A crow bar, after all, is a rather simple machine used to jimmy a door.

So if the President is serious about joining Congress in efforts to control government invasion of privacy, let me suggest a program of action he can take now.

Perhaps the most pressing need is to put an end to domestic political surveillance and intelligence gathering by government agencies. The President could begin that effort by supporting a Senate bill to prohibit military personnel from spying on American citizens.

The President should order everyone in his Administration to refrain from political spying of any kind. There is absolutely no justification, legal or otherwise, for government to collect intelligence on its political opponents for the purpose of or with the effect of stifling their opposition.

The President should immediately order that no wiretapping, bugging or breaking and entering, be carried out without authority of an independent court order.

He should state without equivocation that the label of "national security" will not be used again to hide or excuse illegal acts. And then he should join Congress in preparing legislation to make those executive orders into law.

The President should respond to continuing reports that telephone records, bank records and other private business records are being obtained by the government secretely with no legal safeguards—without the protection of a court warrant, or the opportunity for the person involved to raise legal objections to protect his rights. The President, by executive order, could and should end that practice and require any federal agency to obtain a subpoena for such information.

For several years, the Administration has

opposed a Senate-passed bill to prohibit government employees from being asked about their religious beliefs, their politics and their social lives. The President should support this measure. Such a law would set an example for employers in the private sector to follow and free our civil servants from implied threats when that kind of information is sought.

And finally, the Administration should support stiffer controls on dissemination and use of criminal justice records than those contained in its current proposal.

These records include arrests as well as convictions. They are sold or given to credit bureaus, banks, insurance companies, employers, and schools. Too many people have been denied advanced schooling, a loan or a job because of inaccurate records or because an arrest record fails to include the fact that charges were later dropped or the person was acquitted.

And too many people never find out that such records exist and cause their difficulties.

The answer is a law to prevent private access to all arrest records and require officials to open these records to inspection and correction by those involved. And any criminal justice agency participating in the nationwide criminal information network should be required to update their records.

I have outlined a program of action I would hope the President would adopt. In doing so, he would turn his back on what I believe to be unprecedented efforts in this Administration to undermine the right to privacy and he would live up to the rhetoric of his message on that right.

We in Congress are fully prepared to work with him toward that end. We look forward to a time when the tragedy of Watergate, and all it has come to represent, will also mark a decisive turning point in the preservation of our civil liberties.

As it is with many rights necessary to keep a country free, we do not always understand the importance of the guarantee to privacy until it has been threatened.

But defend it we must or else cease to be a land which would be free.

Justice Louis Brandeis once wrote that our Founding Fathers:

"Sought to protect Americans in their beliefs, their thoughts, their emotions and their sensations. They conferred, as against the government, the right to be left alone—the most comprehensive right and the right most valued by civilized man."

We must not surrender that most valued right.

Thank you.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

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

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after the two leaders or their designees have been recognized under the standing order, there be a period for the transaction of routine morning business for not to exceed 15 minutes, with statements therein limited to 5 minutes.

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

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, as I understand it, the distinguished majority leader secured an order earlier today requiring the resumption of the consideration of Calendar No. 669, S. 3066, upon the conclusion of routine morning business; am I correct?

The PRESIDING OFFICER. The Senator from West Virginia is correct.

Mr. ROBERT C. BYRD. I thank the Chair.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, tomorrow, the Senate will convene at the hour of 10:30 a.m.

After the two leaders or their designees have been recognized under the standing order, there will be a period for the transaction of routine morning business for not to exceed 15 minutes, with statements therein limited to 5 minutes.

At the conclusion of routine morning business, the Senate will resume consideration of Calendar No. 669, S. 3066, a bill to consolidate, simplify, and improve laws relative to housing and housing assistance, to provide Federal assistance in support of community development activities, and for other purposes.

There is a time agreement on the bill. While it is not anticipated today that action will be completed on tomorrow, yea-and-nay votes are expected to occur on amendments thereto tomorrow.

If the bill is not completed tomorrow, the Senate will resume its consideration on Monday next.

ADJOURNMENT TO 10:30 A.M.

Mr. ROBERT C. BYRD. Mr. President, if the distinguished Senator from Texas (Mr. TOWER) has no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 10:30 a.m. tomorrow.

The motion was agreed to; and at 6:02 p.m., the Senate adjourned until tomorrow, Friday, March 8, 1974, at 10:30 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate March 7, 1974:

DEPARTMENT OF JUSTICE

Carla Anderson Hills, of California, to be an assistant attorney general.

Hosea M. Ray, of Mississippi, to be U.S. attorney for the northern district of Mississippi for the term of 4 years.

NATIONAL LIBRARY OF MEDICINE

The following-named persons to be members of the Board of Regents, National Library of Medicine, Public Health Service, for the terms indicated:

Term expiring August 3, 1976:

Ethel Weinberg, of Pennsylvania.

Term expiring August 3, 1977:

Joseph Francis Volker, of Alabama.

(The above nominations were approved subject to the nominees's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

THE JUDICIARY

Thomas E. Stagg, Jr., of Louisiana, to be U.S. district judge for the western district of Louisiana.

NOMINATIONS

Executive nominations received by the Senate March 7, 1974:

DEPARTMENT OF STATE

Hermann F. Eilts, of Pennsylvania, a Foreign Service officer of the class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Arab Republic of Egypt.

FEDERAL HOME LOAN BANK BOARD

Garth Marston, of Washington, to be a member of the Federal Home Loan Bank Board for the remainder of the term expiring June 30, 1975, vice Carl O. Kamp, Jr., resigned.

IN THE ARMY

The Army National Guard of the United States officers named herein for promotion as Reserve commissioned officers of the Army, under the provisions of title 10, United States Code, section 593(a) and 3392:

To be major general

Brig. Gen. Alfred Fredrick Ahner, SSN xxx-xx-xxxx x.

Brig. Gen. Joseph Roland Chappell, Jr., xxx-xx-xxxx.

To be brigadier general

Col. Bruce Ingle Staser, xxx-xx-xxxx

IN THE AIR FORCE

The following-named officers for promotion in the U.S. Air Force, under the appropriate provisions of chapter 839, title 10, United States Code, as amended.

Lieutenant colonel to colonel

LINE OF THE AIR FORCE

Abell, John T., xxx-xx-xxxx.
Addington, Vernal E., xxx-xx-xxxx
Addison, Belmer J., xxx-xx-xxxx
Albright, Theodore L., xxx-xx-xxxx
Alexander, Gerald F., xxx-xx-xxxx
Allen, Bennie R., xxx-xx-xxxx
Allen, Owen W., Jr., xxx-xx-xxxx
Allison, Paul J., xxx-xx-xxxx
Anderson, Kenneth A., xxx-xx-xxxx
Anderson, William L., xxx-xx-xxxx
Armstead, Claude E., xxx-xx-xxxx
Arth, Donald L., xxx-xx-xxxx
Bacchieri, Leo R., xxx-xx-xxxx
Bagnani, Valentino, Jr., xxx-xx-xxxx
Baker, Elmo C., xxx-xx-xxxx
Baker, James E., xxx-xx-xxxx
Baker, Thomas P., Jr., xxx-xx-xxxx
Baker, Willard D., xxx-xx-xxxx
Bal, Eugene, Jr., xxx-xx-xxxx
Balderson, Robert E., xxx-xx-xxxx
Barfknecht, Harold A., xxx-xx-xxxx
Barnes, Edd G., xxx-xx-xxxx
Barr, James A., xxx-xx-xxxx
Bass, Gerry W., xxx-xx-xxxx
Bass, Gordon, xxx-xx-xxxx
Bayus, Richard M., xxx-xx-xxxx
Beck, Edward M., xxx-xx-xxxx
Bell, Edward J., III, xxx-xx-xxxx
Bentz, Richard H., xxx-xx-xxxx
Beery, Raymond E., xxx-xx-xxxx
Besley, Richard D., xxx-xx-xxxx
Beyer, Robert C., Jr., xxx-xx-xxxx
Biediger, Larry W., xxx-xx-xxxx
Birmingham, Daniel J., Jr., xxx-xx-xxxx
Blocker, Clarence B., xxx-xx-xxxx
Bodenhamer, Kenneth D., xxx-xx-xxxx
Boggess, Lawrence L., xxx-xx-xxxx
Boggie, Edwin D., xxx-xx-xxxx
Bohne, Derwin L., xxx-xx-xxxx
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Boren, J. D., xxx-xx-xxxx
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Candee, Leslie W., xxx-xx-xxxx
Carpenter, James B., xxx-xx-xxxx
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Cassidy, Duane H., xxx-xx-xxxx
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Chapman, Kenneth N., xxx-xx-xxxx
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Emrick, Harry W., xxx-xx-xxxx
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Evenson, Loren D., xxx-xx-xxxx
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Fanning, Dennis R., xxx-xx-xxxx
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Filbey, Hugh L., xxx-xx-xxxx
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Fisher, Donald G., xxx-xx-xxxx
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Foister, James W., Jr., xxx-xx-xxxx
Foley, Brendan P., xxx-xx-xxxx
Fordham, Wyndell F., xxx-xx-xxxx
Forster, Tom J., xxx-xx-xxxx
Fortin, Paul E., xxx-xx-xxxx
Foster, James E., xxx-xx-xxxx
Foster, William B., xxx-xx-xxxx
Fox, Loren J., xxx-xx-xxxx
Fredericks, Barron, III, xxx-xx-xxxx
Freeland, Darrell E., xxx-xx-xxxx
Frei, James R., xxx-xx-xxxx
Freitag, Theodore C., xxx-xx-xxxx
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Frizzell, Donaldson, D., xxx-xx-xxxx
Fuller, Benjamin R., III, xxx-xx-xxxx
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Gannaway, Jay T., xxx-xx-xxxx
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Gardecki, Anthony, xxx-xx-xxxx
Gassman, James O., xxx-xx-xxxx
Gaty, Charles L., xxx-xx-xxxx
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Gish, William F., xxx-xx-xxxx
Glovins, Robert A., xxx-xx-xxxx
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Gregory, Kenneth L., xxx-xx-xxxx
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Gurney, Harlan L., xxx-xx-xxxx
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EXTENSIONS OF REMARKS

VOICE OF AMERICA SPEECHLESS ON "GULAG ARCHIPELAGO"

HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Thursday, March 7, 1974

Mr. HARRY F. BYRD, JR. Mr. President, in a column published in the Washington Post on March 7, Rowland Evans and Robert Novak point out that the Voice of America has broadcast very little concerning "Gulag Archipelago," the latest work by exiled Soviet writer Alexander Solzhenitsyn.

The failure on the part of the Voice of America comes despite a request for fuller coverage from the U.S. Embassy in Moscow, according to Evans and Novak.

The columnists indicate that the omission of details about Solzhenitsyn's work, which is an attack on the policies of the Stalin era, is the result of a conscious effort at the policy level of the U.S. Information Agency not to offend the leadership of the Soviet Union.

The Voice of America has a basic mission to get across the truth behind the Iron Curtain. Failure to communicate the content of "Gulag Archipelago" seems to me to represent an abandonment of this basic mission.

The Voice of America should not be subject to policy dictation based on the theory that all will be well if we are nice to the Kremlin. As Evans and Novak state:

> Such a switch could destroy its credibility and lose its audience.

I ask unanimous consent that the column, "Voice of America Speechless on 'Gulag Archipelago,'" be printed in the Extensions of Remarks.

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

VOICE OF AMERICA SPEECHLESS ON "GULAG ARCHIPELAGO"

(By Rowland Evans and Robert Novak)

The Voice of America (VOA), this nation's overseas propaganda arm, has been strangely mute about Alexander Solzhenitsyn's monumental "Gulag Archipelago" despite pointed pleas from the U.S. embassy in Moscow to pass the dramatic word in detail to the Russian people.

When excerpts of the great author's work first appeared in Western newspapers last December, the embassy cabled the U.S. Information Agency (USIA) commending VOA's first handling of what was becoming a big international story. But the diplomatic cable also strongly pressed USIA, which runs