

the United States have contributed nearly \$1½ billion of assistance in our foreign-aid programs.

HOUSE AMENDMENTS TO SENATE JOINT RESOLUTION 162, FREEZING SUPPORT PRICES

Mr. GORE. Mr. President, on behalf of the distinguished majority leader, I desire to announce that if the chairman of the Committee on Agriculture and Forestry should desire to bring before the Senate for its consideration tomorrow the motion to agree to the House amendments to Senate Joint Resolution 162, it would be in order to do so tomorrow.

Mr. KNOWLAND. Mr. President, that matter has not been discussed with me. I should like to withhold consent at this time. I think we should have additional notice, because there are Senators who have not been advised that such consideration might be had.

Mr. GORE. It was not my intention to ask consent, but merely to call it to the attention of the Senate and make it a matter of record, so that Senators might be on notice that it might be in order to obtain consent of the distinguished minority leader tomorrow.

Mr. KNOWLAND. It would be my hope that the matter would not be taken up tomorrow, for reasons of which the majority leader has been advised.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed, without amendment, the bill (S. 1984) to provide for the transfer of the Civil Service Commission Building in the District of Columbia to the Smithsonian Institution to house certain art collections of the Smithsonian Institution.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 10881) making supplemental appropriations for the fiscal year ending June 30, 1958, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. CANNON, Mr. THOMAS, Mr. WHITTEN, Mr. ROONEY, Mr. TABER, Mr. H. CARL ANDERSEN, and Mr. CLEVENGER were appointed managers on the part of the House at the conference.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills:

S. 235. An act to increase from \$50 to \$75 per month the amount of benefits payable to widows of certain former employees of the Lighthouse Service;

S. 2120. An act to authorize the Secretary of the Interior to construct, rehabilitate, operate, and maintain the lower Rio Grande rehabilitation project, Texas, Mercedes division; and

S. 3418. An act to stimulate residential construction.

RECESS TO 11 A. M. TOMORROW

Mr. GORE. Mr. President, pursuant to the order previously entered, I move that the Senate stand in recess until 11 o'clock a. m. tomorrow.

The motion was agreed to; and (at 6 o'clock and 18 minutes p. m.) the Senate took a recess, the recess being, under the order previously entered, until tomorrow, Friday, March 21, 1958, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate March 20 (legislative day of March 17), 1958:

IN THE ARMY

Maj. Gen. John Honeycutt Hinrichs, O17174, Army of the United States (brigadier general, U. S. Army), for appointment as Chief of Ordnance, United States Army and as major general in the Regular Army of the United States, under the provisions of title 10, United States Code, section 3036.

The following-named officer for appointment in the Regular Army of the United States, under the provisions of title 10, United States Code, sections 3284 and 3306:

TO BE BRIGADIER GENERAL, MEDICAL CORPS

Brig. Gen. Clement Franklin St. John, O18258, Army of the United States (colonel, Medical Corps, U. S. Army).

The following-named officer for temporary appointment in the Army of the United States to the grade indicated under the provisions of title 10, United States Code, sections 3442 and 3447:

TO BE MAJOR GENERAL

Brig. Gen. Charles Edward Beauchamp, O18238, Army of the United States (colonel, U. S. Army).

The officer named herein for appointment as a Reserve commissioned officer of the Army under the provisions of title 10, United States Code, section 593 (a):

TO BE MAJOR GENERAL

Brig. Gen. William Henry Abendroth, O245799, National Guard of the United States.

HOUSE OF REPRESENTATIVES

THURSDAY, MARCH 20, 1958

The House met at 12 o'clock noon. The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Zechariah 4: 6: *Not by might, nor by power, but by My spirit, saith the Lord of hosts.*

Almighty God, may we be numbered among those who daily walk in the ways of godliness and goodness, meeting our most arduous tasks with faith and fortitude.

We humbly acknowledge that so frequently we are tempted to feel that our longings and struggles for peace on earth and good will among men are futile.

Grant unto us a greater confidence in the glorious prediction that the day is coming when men shall beat their swords into plowshares and their spears into pruning hooks and all shall know Thee.

May we find our help and hope, our calmness and courage in the conquering love and spirit of the Lord of hosts.

To Thy name we ascribe all the praise. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 7226. An act to clarify the application of navigation rules for the Great Lakes and their connecting and tributary waters, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H. R. 5836) entitled "An act to readjust postal rates and to establish a Congressional policy for the determination of postal rates, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. JOHNSTON of South Carolina, Mr. MONRONEY, and Mr. CARLSON to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendment to the bill (H. R. 10843) entitled "An act to amend section 114 of the Soil Bank Act with respect to compliance with corn acreage allotments," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. ELLENDER, Mr. JOHNSTON of South Carolina, Mr. HOLLAND, Mr. AIKEN, and Mr. YOUNG to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5822) entitled "An act to amend section 406 (b) of the Civil Aeronautics Act of 1938 with respect to the reinvestment by air carriers of the proceeds from the sale or other disposition of certain operating property and equipment.

NO FEDERAL AID NEEDED NOW

Mr. ALGER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

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

There was no objection.

Mr. ALGER. Mr. Speaker, the personal income of Americans during February 1958 was the highest in the history of the Nation for this month of the year. Commerce Department figures show that personal income this February was at an annual rate of \$341.8 billion, compared to \$338.5 billion during February of 1957, and \$317.1 billion during February of 1956.

Now I want to tell a story.

A friend of mine used to tell about a hard working not too well educated fellow who, through diligence and hard work, became a considerable success in the hamburger business. As he prospered, full of confidence, he plowed his

profits back into his stand which became ever larger and more elaborate.

As news of his high quality hamburgers spread, people came from miles around to be served by an ever increasing number of attractively attired carhops.

In short, this fellow was doing remarkably well—so well, in fact, that he was soon able to send his only son to college to study economics.

Upon his return from the university, full of economic theory, the boy was amazed by the growth and expansion of his father's business. He warned the old man of the threatening portents and predicted an early recession.

Impressed by his son's newly acquired "education," the father attempted to act on his advice. He began shopping for better prices on his hamburger meat and reducing the size of the portions. He shaved the size of his buns, discharged a number of the waitresses and slashed his advertising expense, in a desperate effort to avoid the losses which might be occasioned if his son's predictions came true.

"Sure enough," he told my friend some months later, "business has surely gone to pot—off easily 50 percent already. Am I not truly fortunate that my son was smart enough to warn me about all this slack business coming up, and just in the nick of time?"

How now, do today's self-proclaimed proponents of Federal aid for the alleged recession explain this fact—that personal income of Americans during February 1958 was the highest in the history of the Nation for this month of the year. Is this now a recession? No, it is a normal readjustment. No so-called Federal help needed, thanks just the same.

SPEEDUP OF MILITARY CONSTRUCTION

Mr. MICHEL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. MICHEL. Mr. Speaker, yesterday we passed Senate Concurrent Resolution 69 with only a few dissenting votes, and during the course of the discussion the chairman of the committee, the gentleman from Georgia [Mr. Vinson], reeled off a number of States where there would be a speedup of military construction. The figure of \$41 million was cited for the State of Illinois. I made a point, after returning to the office, of inquiring just where this money was to be spent in Illinois and on what projects. The Armed Services Committee referred me to the Department of Defense; the Department of Defense, in turn, referred me to the individual services.

This morning I received word from the Navy, that there would be two projects at the Great Lakes Naval Training Station in Chicago which would be affected. Hats off to the Navy for knowing what they are doing. But, then I received the Army's call, and was

told that they could not come up with any figure or breakdown, for they did not know on what grounds the Defense Department had predicated their figure of \$41 million. I suspect there is probably even more confusion in the Air Force, as I have not even received a call back from them after having been promised one early this morning.

Mr. Speaker, how then can we have a speedup on the military construction program when the very people who are supposed to be responsible for spurring it along do not know what the Congress is talking about when we authorize the speedup?

I am only trying to point out, that this flush of resolutions, couched in careful language, beautifully phrased and glowing with pious platitudes, are just so much "hogwash" for public consumption. What we really need is action out in the field and less hot air from Congress.

WITHHOLDING MONEYS APPROPRIATED BY CONGRESS

Mr. ZELENGO. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. ZELENGO. Mr. Speaker, it has come to the attention of the Congress that in many of the Government departments, in particular the Department of Defense, that moneys appropriated for particular purposes by the Congress have not been used for the projects for which they were designated and appropriated. That such moneys in some instances have been withheld and used for other departmental purposes or permitted to lapse.

Such practice not only violates the Constitution but is contrary to the letter and spirit of the various appropriation bills. This practice has been indulged by appointees and bureaucrats in the several departments. These persons have usurped the authority of the Congress and have acted contrary to its mandate.

It is necessary for the Congress, therefore, to take action to remedy this untenable situation. I have introduced a bill to make it unlawful for any officer, agent, or employee of the United States or any department, bureau, or agency thereof to withhold or impound or otherwise prevent any moneys appropriated by the Congress.

I acknowledge also the sympathetic position on this subject heretofore taken by my distinguished colleague from the State of Louisiana, the Honorable F. EDWARD HÉBERT.

INDEPENDENT OFFICES APPROPRIATION BILL, FISCAL YEAR 1959

Mr. THOMAS. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight Friday to file a privileged report on the independent offices appropriation bill for fiscal year 1959.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. VURSELL. Mr. Speaker, I reserve all points of order on the bill.

DUTY ON PAINT ROLLER HANDLES

Mr. MILLS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 7004) to amend the Tariff Act of 1930 with respect to the dutiable status of handles, wholly or in chief value of wood, imported to be used in the manufacture of paint rollers.

The Clerk read the title of the bill.

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

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That paragraph 412 of section 1 of the Tariff Act of 1930, as amended (19 U. S. C., sec. 1001, par. 412), is amended by adding at the end thereof the following: "Handles, wholly or in chief value of wood, imported to be used in the manufacture of paint rollers, shall be dutiable at the rate applicable to paintbrush handles, wholly or in chief value of wood, on the date handles imported for such use are entered, or withdrawn from warehouse, for consumption."

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

With the following committee amendments:

Page 1, line 8, after "rate" insert "(however established)."

Page 2, line 3, strike out "on or."

The committee amendments were agreed to.

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

Mr. MILLS. Mr. Speaker, I ask unanimous consent to extend my remarks in explanation of the bill just passed.

The SPEAKER. Without objection, it is so ordered.

Mr. MILLS. Mr. Speaker, the purpose of H. R. 7004 is to make handles wholly or in chief value of wood, imported to be used in the manufacture of paint rollers, dutiable at the rate, however established, applicable to paintbrush handles of wood.

This bill would establish an identical rate of duty for paintbrush handles and paint-roller handles on a permanent basis. At the present time, paintbrush handles of wood, which were specifically enumerated in paragraph 412 of the Tariff Act of 1930, are dutiable at a rate of 9 percent ad valorem. The duty originally established for such handles was 33½ percent ad valorem. Pursuant to trade agreements, the rate is now 9 percent ad valorem and on June 30, 1958, will become 8½ percent ad valorem. Paint-roller handles are presently classified for duty purposes, under the catch-all provision in paragraph 412 of the Tariff Act for manufacturers wholly or in chief value of wood, and the rate of duty presently applicable is 16½ percent ad valorem. The original statutory rate was 33½ percent ad valorem. Under

this bill, wooden handles imported to be used in the manufacture of paint rollers would become dutiable at whatever rates, however established, are then or thereafter applicable to paintbrush handles of wood.

Also, under this bill, where the rate of duty on an article differs because of source, for example, products of Communist-controlled countries, as compared with products of non-Communist countries, the duty to be applied to paintbrush handles covered by the bill would be the same as the duty applied on the paintbrush handles from that source.

Your committee was unanimous in recommending enactment of this legislation.

Mr. REED. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. REED. Mr. Speaker, this legislation was introduced by my distinguished colleague from Ohio [Mr. JENKINS] and has its meritorious purpose the establishment of an identical duty rate for paint-roller handles as is applicable to paintbrush handles where both such handles are made wholly of in chief value of wood.

Paint rollers are substantially used for the identical purpose for which paintbrushes are used. This legislation would establish an identical rate of duty for paintbrush handles and paint-roller handles on a permanent basis. It is appropriate that this legislation should be favorably acted on by the Congress and it is for that reason that I have supported its passage in the House today.

Mr. REED. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. JENKINS] may extend his remarks at this point in the RECORD.

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

There was no objection.

Mr. JENKINS. Mr. Speaker, I am privileged to be the author of H. R. 7004 and I would like to take this opportunity to thank my esteemed colleagues on the Committee on Ways and Means and the distinguished membership of this House for the favorable consideration they have given to this bill. As my chairman, the gentleman from Arkansas [Mr. MILLS], and as my ranking Republican colleague on the committee, the gentleman from New York [Mr. REED], have explained, this legislation provides an identical duty rate for paint roller handles and for paint brush handles. Under existing law paint brush handles are dutiable at a rate of 9 percent ad valorem and are scheduled to become dutiable at 8½ percent ad valorem June 30, 1958. Paint roller handles are presently dutiable at 16½ percent ad valorem and there is no reason for this disparity.

The Committee on Ways and Means was unanimous in recommending favorable consideration of H. R. 7004 and the committee received favorable reports from the Departments of State, Treasury, and Labor.

DUTY ON PISTOLS AND REVOLVERS NOT CAPABLE OF FIRING FIXED AMMUNITION

Mr. MILLS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 1126) to amend the Tariff Act of 1930 to provide that muzzle-loading pistols and revolvers shall be exempt from duty.

The Clerk read the title of the bill.

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

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That paragraph 1723 of the Tariff Act of 1930 (providing an exemption from duty for certain muzzle-loading weapons) is amended by inserting "pistols, revolvers," after "rifles,"

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

With the following committee amendments:

Strike out all after the enacting clause and insert:

"That paragraph 1723 of the Tariff Act of 1930 (19 U. S. C., sec. 201, par. 1723) is amended to read as follows:

"PAR. 1723. Muskets, shotguns, rifles, pistols, and revolvers, all the foregoing not designed to fire or capable of firing a fixed metallic cartridge or fixed shotgun shell, and parts of muskets, shotguns, rifles, pistols, and revolvers provided for in this paragraph."

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

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

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The committee amendments were agreed to.

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

The title was amended so as to read: "A bill to amend the Tariff Act of 1930 to exempt from duty pistols and revolvers not using fixed ammunition."

A motion to reconsider was laid on the table.

Mr. MILLS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. MILLS. Mr. Speaker, the purpose of H. R. 1126, as reported by the Committee on Ways and Means, is to amend paragraph 1723 of the Tariff Act of 1930, to add pistols and revolvers, and parts thereof and fittings therefor, to the list of articles accorded duty-free status therein, and to provide that the phrase "all the foregoing not designed to fire or capable of firing a fixed metallic cartridge or fixed shotgun shell" shall apply to all the listed articles.

As indicated in the report on the bill, paragraph 1723 of the original Tariff Act of 1930, provided for the duty-free entry of "muzzle-loading muskets, shotguns, rifles, and parts thereof." Pistols and revolvers of comparative obsolescence were not included in the list of weapons contained in paragraph 1723 which are accorded duty-free status. Although certain muzzle-loading and other pistols and revolvers are dutiable under paragraph 366 of the Tariff Act of 1930, your committee has been advised that at the present time many old and obsolete revolvers and muzzle-loading pistols may be entitled to duty-free entry under the provisions for artistic antiques in paragraph 1811 of the Tariff Act of 1930, if they were made prior to the year 1830. However, if such articles are not entitled to duty-free status under paragraph 1811 they are assessed with duty under the provisions for pistols and revolvers in paragraph 366 of the Tariff Act of 1930, as modified. Your committee has been further advised that reports have been received from importers who experienced and are experiencing difficulty in establishing the right of such articles to free entry status under paragraph 1811. H. R. 1126 is designed to eliminate this difficulty with regard to the named articles.

The Committee on Ways and Means concluded that the admission of obsolete shoulder weapons duty free, while at the same time subjecting obsolete handguns to duty, appears to be both inconsistent and illogical. All types of obsolete firearms are equally sought by gun collectors as a hobby and for their historical significance.

Departmental reports on the bill were favorable, and the committee was unanimous in urging enactment of this legislation.

Mr. REED. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. REED. Mr. Speaker, this legislation has as its purpose the granting of duty-free status to pistols and revolvers and parts and fittings therefor which are not designed to fire or capable of firing a cartridge or shell. The firearms covered under this legislation are of comparative obsolescence. It is my understanding that the purpose of this legislation is to facilitate the acquisition of firearms covered under the bill by gun collectors as a hobby and for their historical significance.

The Committee on Ways and Means was unanimous in reporting favorably on this legislation and we have received favorable reports from the Departments of State, Commerce, and Labor. With respect to the reports from the Department of Labor it was pointed out that this legislation would have no adverse effect on American employment.

Mr. MILLS. Mr. Speaker, I ask unanimous consent that with respect to these bills just passed, the authors of the bills may be permitted to extend their remarks, if they desire to do so.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

DUTY ON EVISCERATED PIGEONS

Mr. MILLS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 7363) to amend the Tariff Act of 1930 to reduce the import duty on eviscerated pigeons. The Clerk read the title of the bill.

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

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That paragraph 712 of section 1 of the Tariff Act of 1930, as amended (19 U. S. C. 712), is amended by inserting after "turkeys, 10 cents per pound;" the following: "pigeons, prepared by removal of the feathers, heads, and all or part of the viscera, but not cooked or divided into portions, 5 cents per pound;".

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

With the following committee amendment:

Strike out all after the enacting clause and insert: "That paragraph 712 of section 1 of the Tariff Act of 1930, as amended (19 U. S. C., sec. 1001, par. 712), is amended by inserting after 'all other, 10 cents per pound;' the following: 'pigeons, prepared by removal of the feathers, heads, and all or part of the viscera, with or without removal of the feet, but not cooked or divided into portions, 5 cents per pound;'. "

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

The committee amendment was agreed to.

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

Mr. MILLS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. MILLS. Mr. Speaker, the purpose of H. R. 7363, which was introduced by our colleague, the gentleman from Louisiana [Mr. HÉBERT], is to amend the Tariff Act of 1930, as amended, to reduce the import duty on pigeons, prepared by removal of the feathers, heads, and all or part of the viscera, with or without removal of the feet, but not cooked or divided into portions, to 5 cents per pound. As pointed out in the committee report, at the present time, pigeons prepared in the manner described in your committee's bill are classified under the provision in paragraph 712 of the duty list of the Tariff Act of 1930, as amended, for "birds prepared or preserved in any manner and not specially provided for." This classification covers a wide variety of prepared or preserved birds, such as chickens, ducks, geese, guineas, swans, doves, pheasant, and so forth.

The duty originally imposed under the Tariff Act on this statutory classification of birds was 10 cents per pound.

As a result of various trade-agreement concessions, and modifications thereof, the above-described statutory provision is subdivided into three parts: one covering chickens—prepared in the same manner as described in this bill; another covering turkeys—prepared in the same manner; and the remainder consisting of the other birds. Eviscerated chickens and turkeys are dutiable at reduced rates, pursuant to trade-agreement concessions. Your committee's bill would add a fourth subclassification covering eviscerated pigeons, at the same rate which is now applicable to eviscerated chickens.

The Committee on Ways and Means was unanimous in recommending enactment of this bill.

Mr. REED. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. REED. Mr. Speaker, this legislation, H. R. 7363, would reduce to 5 cents per pound the import duty on pigeons that are prepared for consumption by a process of evisceration. Under existing law such fowl is dutiable at 10 cents per pound. There are relatively few imports of this article so that there would be no significant revenue loss from the enactment of this legislation. The Committee on Ways and Means was unanimous in reporting favorably on H. R. 7363.

AMORPHOUS GRAPHITE

Mr. MILLS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 2783) to amend the Tariff Act of 1930 to provide for the free importation of amorphous graphite.

The Clerk read the title of the bill.

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

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That (a) paragraph 213 of the Tariff Act of 1930 is amended by inserting after "Amorphous," the following: "valued at more than \$50 per ton,".

(b) Title II of such act (relating to the free list) is amended by adding at the end thereof the following new paragraph:

"PAR. 1821. Amorphous graphite or amorphous plumbago, crude or refined, valued at \$50 per ton or less."

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

With the following committee amendment:

Strike out all after the enacting clause and insert: "That paragraph 213 of the Tariff Act of 1930 is amended by striking out 'Amorphous, 10 percent ad valorem;'. Title II of the Tariff Act of 1930 (relating to the free list) is amended by adding at the end thereof the following new paragraph:

"PAR. 1823. Amorphous graphite or amorphous plumbago, crude or refined."

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

The committee amendment was agreed to.

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

Mr. MILLS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. MILLS. Mr. Speaker, the purpose of H. R. 2783, as amended by your committee, is to amend the Tariff Act of 1930, as amended, to transfer amorphous graphite or plumbago, crude or refined, from paragraph 213 of the dutiable list to the free list.

Amorphous graphite or plumbago, crude or refined, and regardless of value, was made dutiable in paragraph 213 of the Tariff Act of 1930, as originally enacted, at the rate of 10 percent ad valorem. The duty was reduced to 5 percent ad valorem pursuant to a bilateral trade agreement with the United Kingdom, effective January 1, 1939, and the reduced rate was bound against increase in a bilateral trade agreement with Mexico effective January 30, 1943. The reduced rate of 5 percent ad valorem was again bound against increase in the General Agreement on Tariffs and Trade, effective January 1, 1948. These concessions extended to both the natural and artificial product, both of which are classified under paragraph 213. Effective September 10, 1955, the duty on the natural product was further reduced to 2½ percent ad valorem, pursuant to a further concession. The duty on the artificial product was not further reduced and remains 5 percent ad valorem.

Amorphous graphite is a mineral which has a wide variety of uses, and the United States has long been dependent on imports for nearly all of its requirements of natural amorphous graphite. Domestic production supplies only a negligible part of the domestic consumption of natural amorphous graphite. There is a large domestic production of the artificial amorphous graphite which has supplied nearly all of the domestic requirements. The Committee on Ways and Means was advised that the principal domestic manufacturers of the artificial material themselves consume practically their entire output at present and very little enters commercial channels in unfabricated form.

Information brought to the attention of the committee indicated that in recent years over 95 percent of the amorphous graphite imported for consumption in the United States originated in Canada, Ceylon, Mexico, and Norway. This is a strategic item stockpiled for the Air Force.

The committee received favorable reports on this legislation, in the form reported, from the interested Depart-

ments. The committee was unanimous in urging enactment of this legislation.

Mr. REED. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. REED. Mr. Speaker, this legislation would amend the Tariff Act of 1930 so as to transfer amorphous graphite or plumbago, crude or refined, from the dutiable list to the free list. Amorphous graphite is a mineral with a wide variety of industrial uses; for example, it is used extensively in the manufacture of carbon brushes, lubricants, and electrical motors.

The Committee on Ways and Means has been informed that the United States has for a considerable period been dependent on imports for nearly all of its requirements of natural amorphous graphite. The Committee on Ways and Means was unanimous in acting favorably on this legislation.

Mr. BENTLEY. Mr. Speaker, I would like to say a few words on behalf of my bill, H. R. 2783, which would amend the Tariff Act of 1930 to provide for the free importation of amorphous graphite.

Amorphous graphite is a mineral which has a wide variety of uses. For example, it is used for foundry facings and in the manufacture of carbon brushes, dry-cell batteries, pencils and paints, lubricants, and brush stock for electric motors.

The United States has long been dependent on imports for nearly all its requirements of natural amorphous graphite. In recent years over 95 percent of the amorphous graphite imported for consumption in the United States originated in Canada, Ceylon, Mexico, and Norway. In fact 80 percent of the imports came from Mexico. I would like to point out that the major part of the Mexican deposits of amorphous graphite is owned and operated by United States concerns. Natural graphite is among materials listed as strategic and critical for stockpiling purposes by the Federal Government.

The Ways and Means Committee has received favorable reports on this legislation from the Departments of Commerce, State, Labor, and Defense, as well as informative reports from the Department of the Treasury and from the United States Tariff Commission. In addition the Department of Labor reported that it has no information which would lead it to anticipate an unfavorable effect on domestic employment if this legislation is enacted. I can see no sound reason to continue amorphous graphite on the duty list and urge that this legislation be enacted.

HARPSICORDS AND CLAVICHORDS

Mr. MILLS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 5208) to amend paragraph 1541 of the Tariff Act of 1930, as amended, to provide that the rate of duty in effect with respect to harpsichords and clavichords shall be

the same as the rate in effect with respect to pianos.

The Clerk read the title of the bill.

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

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That paragraph 1541 (a) of the Tariff Act of 1930, as amended, is amended by adding at the end thereof the following new sentence: "The rate of duty in effect at any time with respect to harpsichords and clavichords shall be the same as the rate of duty then in effect (however established) with respect to pianos."

SEC. 2. The amendment made by this act shall apply to articles entered, or withdrawn from warehouse, for consumption on or after the day on which this act is enacted.

With the following committee amendment:

Strike out all after the enacting clause and insert:

"That paragraph 1541 (a) of the Tariff Act of 1930, as amended (19 U. S. C., sec. 1001, par. 1541 (a)), is amended by adding at the end thereof the following new sentence: 'Harpsichords and clavichords, and parts thereof, shall be dutiable at the rate (however established) applicable to pianos (or parts thereof) on the date entered, or withdrawn from warehouse, for consumption.'

"SEC. 2. The amendment made by the first section of this act shall apply to articles entered, or withdrawn from warehouse, for consumption after the day on which this act is enacted."

The committee amendment was agreed to.

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

Mr. MILLS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. MILLS. Mr. Speaker, as indicated in the committee report, the purpose of H. R. 5208 is to amend paragraph 1541 of the Tariff Act of 1930, as amended, to provide that harpsichords and clavichords and parts thereof shall be dutiable at the rate, however established, applicable to pianos or parts thereof.

This bill would establish an identical rate of duty on harpsichords and clavichords, and pianos, on a permanent basis. It would also establish an identical rate of duty on parts of harpsichords and clavichords and on parts of pianos on a permanent basis.

Pianos, harpsichords, and clavichords were all originally dutiable at the same rate of duty, 40 percent ad valorem, under the catchall provision in paragraph 1541 (a) of the Tariff Act of 1930 for "musical instruments and parts thereof, not specially provided for." As a result of concessions, pianos and parts thereof were carved out of the catchall provision and made separately dutiable at 20 percent ad valorem, effective June 6, 1951. Further trade-agreement concessions negotiated in 1956 resulted in a further reduction in the duty on pianos and

parts to 17 percent ad valorem, to become effective in 3 annual stages. The second-stage rate, 18 percent ad valorem, is presently in effect, and the rate of 17 percent ad valorem will become applicable on June 30, 1958.

Harpsichords and clavichords remained dutiable at the original 40-percent rate until, in the 1956 GATT negotiations, stringed instruments and parts thereof, were also carved out of the catchall provision and made separately dutiable at 34 percent ad valorem, the reduction to become effective in 3 annual stages. The second-stage rate, 36 percent ad valorem, is presently in effect, and the rate of 34 percent ad valorem will become effective on June 30, 1958.

Thus, at the present time, pianos are dutiable at a rate of 18 percent ad valorem, while harpsichords and clavichords are presently dutiable at a rate of 36 percent ad valorem. Under your committee's bill, the rate of duty on these instruments would be the same as the rate of duty applicable to pianos, on a permanent basis.

Also, under your committee's bill, where the rate of duty on an article differs because of source, for example, products of Communist-controlled countries as compared with products of non-Communist-controlled countries, the duty to be applied to harpsichords and clavichords, and parts thereof, would be the same as the duty applied on pianos, or parts thereof, from that source.

The Committee on Ways and Means was unanimous in urging enactment of this legislation.

Mr. REED. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. REED. Mr. Speaker, H. R. 5208 would provide an identical duty rate with respect to harpsichords and clavichords that is presently applicable to pianos or parts thereof. Pianos, harpsichords, and clavichords were all originally dutiable at the same rate of duty under the Tariff Act of 1930. Tariff negotiations by the executive department has resulted in the duty applicable to pianos being reduced to 17 percent ad valorem to become effective on June 30, 1958. The present duty rate is 18 percent. The duty on harpsichords and clavichords is presently 36 percent ad valorem and is scheduled to become 34 percent ad valorem effective June 30, 1958.

H. R. 5208 would provide that the rate of duty on the subject musical instruments would be the same as the rate of duty applicable to pianos on a permanent basis. The Committee on Ways and Means was unanimous in reporting favorably on this legislation.

IMPORTATION OF CERTAIN REGALIA AND GEMS

Mr. MILLS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 7516) to

amend the Tariff Act of 1930 so as to permit the importation free of duty of religious vestments and regalia presented without charge to a church or to certain religious, educational, or charitable organizations.

The Clerk read the title of the bill.

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

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That (a) paragraph 1773 of the Tariff Act of 1930 is amended by striking out "for the use and by order of" each place it appears therein and inserting in lieu thereof "for the use of, either by order of or by presentation (without charge) to."

(b) The amendment made by this act shall apply to articles entered, or withdrawn from warehouses, for consumption on or after April 1, 1956.

With the following committee amendments:

Page 1, line 6, after "or" strike out "by" and insert "for."

Page 1, line 10, strike out "April 1, 1956." and insert the following: "the date of the enactment of this act, and to regalia covered by entries or withdrawals which have not been liquidated or the liquidation of which has not become final on such date of enactment."

The committee amendments were agreed to.

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

Mr. MILLS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. MILLS. Mr. Speaker, as indicated in the committee report, the purpose of H. R. 7516, as amended by your committee, is to amend the Tariff Act of 1930, as amended, so as to permit the importation free of duty of religious vestments and regalia for presentation without charge to a church or to certain religious, educational, or charitable organizations.

Paragraph 1773 of the Tariff Act of 1930, as amended, originally provided for the free importation of regalia and gems when such articles are imported "by order of" certain religious, philosophical, educational or literary societies, or certain colleges, academies, schools, and libraries, and not for sale. H. R. 7516 would extend the privilege of articles imported for the use of the named societies or institutions, but not for sale, whether ordered by such societies or institutions, or presented to them as gifts.

The proposed amendment of paragraph 1773 would provide the same conditions for the importation of regalia and gems for the use of the named institutions as are provided in paragraph 1774 in the case of certain church fixtures of a religious nature imported for the use of religious organizations. As originally enacted, paragraph 1774 granted the exemption therein only to

articles imported for presentation as gifts to and for the use of religious organizations. However, Public Law 392, 82d Congress, amended paragraph 1774 to extend the free-entry privilege to imports of the fixtures ordered by the religious organizations themselves. The proposed amendment of paragraph 1773 deals with the converse situation, the privilege now therein provided for being limited to imports of articles ordered by the named societies or institutions.

Favorable reports were received on this bill from the Departments. The Committee on Ways and Means was unanimous in urging enactment of this legislation.

Mr. REED. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. REED. Mr. Speaker, H. R. 7516 would provide for the duty free importation of religious vestments and regalia when imported for donation to a church or to certain religious, educational, or charitable organizations. The bill would provide comparable customs treatment for the importation of articles under this legislation as is provided in the Tariff Act for imports of church fixtures of a religious nature imported for the use of religious organizations.

The Committee on Ways and Means was unanimous in reporting favorably on this legislation.

ARTICLES FOR REPAIRS, ALTERATION, OR PROCESSING

Mr. MILLS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 9923) to amend the Tariff Act of 1930 to permit temporary free importation under bond for exportation, of articles to be repaired, altered, or otherwise processed under certain conditions, and for other purposes.

The Clerk read the title of the bill.

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

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That subdivision (1) of section 308 of the Tariff Act of 1930, as amended (U. S. C., 1952 edition, title 19, sec. 1308 (1)), is further amended to read as follows:

"(1) Merchandise imported to be repaired or altered or to be processed (including processes which result in articles manufactured or produced in the United States except alcohol, distilled spirits, wine, and beer (including dilutions or mixtures of any or all of them) and perfumes and other commodities containing ethyl alcohol whether or not such alcohol is denatured, and products of wheat), except that this subdivision shall not be applicable to merchandise imported to be subjected to processes which will result in articles manufactured or produced in the United States unless a complete accounting will be made to the customs service for all articles, wastes, and irrecoverable losses resulting from such processes; and all such articles and valuable

wastes will be exported or destroyed under customs supervision."

SEC. 2. (a) Subparagraph (e) (3) of paragraph 1615, Tariff Act of 1930, as amended (U. S. C., 1952 edition, title 19, sec. 1201, par. 1615 (e) (3)), is further amended to read as follows:

"(3) Any article manufactured or produced in the United States in a customs bonded warehouse or under section 308 (1) of this act and exported under any provision of law; or"

(b) Subparagraph (g) (3) of paragraph 1615, Tariff Act of 1930, as amended (U. S. C., 1952 edition, Supp. III, sec. 1201, par. 1615 (g) (3)), is further amended by deleting the word "or" at the end of subdivision (B); by changing the period at the end of subdivision (C) to a semicolon; and adding the following:

"or
"(D) Any article manufactured or produced and exported under section 308 (1) of this act."

SEC. 3. The amendments made by this act shall be effective with respect to merchandise entered, or withdrawn from warehouse, for consumption on and after the 30th day following enactment.

With the following committee amendment:

Strike out all after the enacting clause and insert: "That subdivision (1) of section 308 of the Tariff Act of 1930, as amended (19 U. S. C., sec. 1308 (1)), is amended to read as follows:

"(1) Merchandise imported to be repaired, altered, or processed (including processes which result in articles manufactured or produced in the United States); but merchandise may be admitted into the United States under this subdivision only on condition that—

"(A) such merchandise will not be processed into an article manufactured or produced in the United States if such article is—

"(i) alcohol, distilled spirits, wine, beer, or any dilution or mixture of any or all of the foregoing;

"(ii) a perfume or other commodity containing ethyl alcohol (whether or not such alcohol is denatured); or

"(iii) a product of wheat; and

"(B) if any processing of such merchandise results in an article (other than an article described in clause (A) of this subdivision) manufactured or produced in the United States—

"(i) a complete accounting will be made to the Customs Service for all articles, wastes, and irrecoverable losses resulting from such processing; and

"(ii) all articles and valuable wastes resulting from such processing will be exported or destroyed under customs supervision within the bonded period;"

"SEC. 2. (a) Subparagraph (e) (3) of paragraph 1615 of the Tariff Act of 1930, as amended (19 U. S. C., sec. 1201, par. 1615 (e)), is amended to read as follows:

"(3) Any article (A) manufactured or produced in the United States in a customs bonded warehouse or under section 308 (1) of this act, and (B) exported under any provision of law; or'

"(b) Subparagraph (g) (3) of paragraph 1615 of the Tariff Act of 1930, as amended (19 U. S. C., sec. 1201, par. 1615 (g) (3)), is amended by striking out 'or' at the end of subdivision (B), by striking out the period at the end of subdivision (C) and inserting in lieu thereof '; or', and by adding at the end thereof the following new subdivision:

"(D) after manufacture or production in the United States under section 308 (1) of this act."

"SEC. 3. The amendments made by this act shall apply with respect to articles entered, or withdrawn from warehouse, for consump-

tion on or after the 30th day following the date of the enactment of this act."

The committee amendment was agreed to.

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

Mr. MILLS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. MILLS. Mr. Speaker, as pointed out in the committee report the purpose of H. R. 9923, as amended by the Committee on Ways and Means, is to amend section 308 of the Tariff Act of 1930, as amended, so as to allow imported merchandise to be entered under a section 308 import-export bond for use in the manufacture or production of articles solely for export, upon compliance with specified conditions designed to safeguard the revenue, except that such merchandise cannot be processed into an article manufactured or produced in the United States if such article is alcohol, distilled spirits, wine, beer, or any dilution or mixture of any or all of the foregoing, a perfume or other commodity containing ethyl alcohol (whether or not such alcohol is denatured), or a product of wheat.

Section 308 (1) of the Tariff Act, presently provides that articles may be entered temporarily free of duty under bond for exportation, for repair, alteration or to be processed, but if the processing would be such as to result in articles manufactured or produced in the United States, entry under section 308 (1) bond is not allowed. For example, this bond procedure is not available to an importer who brings in a shipment of airplane parts for use in the manufacture by him in this country of an airplane which will be exported. This is because the airplane would be considered to be an article manufactured or produced in the United States. In order for the importer to do this under present law, he must file a consumption entry, pay duty on the merchandise, file an application for drawback pursuant to section 313 (a) of the Tariff Act, prepare a drawback entry to cover the exported product, and await the payment of drawback of 99 percent of duties paid on the imported merchandise used. This procedure is costly and time consuming to both the importer and the Government.

H. R. 9923 would amend the relevant provisions of the Tariff Act so as to permit operations such as the one I have described to be carried out under import-export bond, even though the article as exported would have been processed to such a degree as to be considered an "article manufactured or produced in the United States." The bill contains specified conditions designed to safeguard the revenue and the substantive purposes of the Tariff Act.

The Committee on Ways and Means was advised that adoption of the provisions contained in the bill would re-

sult in a substantial reduction of time-consuming work to the customs service and would enable any importers who manufacture by lot solely for export to avoid having their money tied up for extended periods awaiting the processing of their claims for drawback.

Favorable reports were received on this bill from the interested departments.

The committee was unanimous in urging enactment of this bill.

Mr. REED. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. REED. Mr. Speaker, H. R. 9923 was introduced by our distinguished colleague from Washington [Mr. PELLY] who has worked very effectively to obtain the favorable consideration of this legislation which was unanimously reported by the Committee on Ways and Means.

The purpose of the bill is to allow imported merchandise to be entered under bond for use in the manufacture or production of articles that are to be exported. The legislation contains safeguards so as to prevent abuse of this privilege. The Department of Labor in commenting on this legislation stated that the bill would have the effect of increasing employment opportunities. Mr. Speaker, I am pleased to join in supporting this legislation.

Mr. PELLY. Mr. Speaker, H. R. 9923 which just passed the House will simplify the procedure of importing foreign parts that go into the manufacture of products in this country for export and, in lieu of depositing cash with the Department of the Treasury, the manufacturers of this country will be able to file a bond. Obviously, this is in line with the present way of doing business.

Entry of items used in repair and alteration is presently provided for; however, as an example, entry under bond is not available to an importer bringing in airplane parts for use in the manufacture of planes in this country which, in turn, will be exported. The present procedure which is costly and time consuming not only to the importer but also to the Government will be greatly improved and simplified by the passage of H. R. 9923.

The Treasury Department and the Commissioner of Customs have approved this legislation and I would like to commend the Ways and Means Committee, and its chairman, for recognizing the desirability of this measure and expeditiously implementing its passage through the House.

PRICE SUPPORT AND ACREAGE ALLOTMENT LAWS

Mr. COLMER. Mr. Speaker, by direction of the Committee on Rules, I call up the resolution—House Resolution 505—providing for the consideration of Senate Joint Resolution 162, to stay any reduction in support prices or acreage allotments until Congress can make appropriate changes in the price support and acreage allotment laws, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution (S. J. Res. 162) to stay any reduction in support prices or acreage allotments until Congress can make appropriate changes in the price support and acreage allotment laws. After general debate, which shall be confined to the joint resolution and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the joint resolution shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the joint resolution for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the joint resolution and amendments thereto to final passage without intervening motion except one motion to recommit.

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

Mr. Speaker, as the reading of the rule, House Resolution 505 would indicate, it makes in order the consideration of the Senate joint resolution, Senate Joint Resolution 162. The rule is an open rule and provides for 2 hours of general debate on the joint resolution.

Mr. Speaker, this might well be termed stopgap legislation. In the last few days, the House of Representatives as well as the other body has passed legislation aimed at stopping the so-called recession. In other words, there has been a movement afoot on the part of the Congress to stimulate business and furnish employment in all segments of our economy. I think it is fair to say that this particular resolution would in a sense do the same thing for agriculture as has been done for these other segments of our economy in the legislation which has already been passed. May I repeat, Mr. Speaker, that this might well be termed stopgap legislation. Certainly, it is not an answer to the farm problem, but it would retain the status quo so as to prevent further declines in prices of the basic agricultural products. In other words, what this resolution would do would be to say that in this spiral of recession, you cannot jerk the floor out from under the prices which the farmers are now receiving and which are generally regarded as inadequate. I think the joint resolution which we will consider following the consideration of the rule should be adopted and I hope signed by the President. But I hope this will not be an end of farm legislation in this session of the Congress. A long-range and more adequate program must be adopted if agriculture is to share equally in our managed economy.

Tobacco is specifically excluded from provision of the resolution since supports for it have not been reduced in 1958 and because tobacco comes under a different program generally.

The Senate version differs from the House version which we will consider here today in that under the provisions of the Senate resolution the supports and

acreage allotments would be frozen until further and affirmative action were taken by the Congress. Under the House version, the application of the resolution in the case of price supports is limited to the 1958 crop or market season and the 1959 crop in case of acreage allotments since acreage allotments for 1958 have already been determined and announced.

Moreover, if the price support rates announced by the Secretary of Agriculture become effective, assuming that the volume of the various crops in 1958 is the same as 1957, it is estimated that there would be a cut in farm income of about one-half billion dollars.

Mr. Speaker, while I recognize and appreciate that there is justification for a difference of opinion on whether this is the proper procedure, I cannot do otherwise than support this transitory program pending the development of a long range and more effective program under the existing circumstances in the present day economy. I am not one of those who assumes to have the answer to the agricultural dilemma. Neither do I belong in the category of those who belabor and belittle the Secretary of Agriculture. I am perfectly willing to subscribe to him the same credit for sincerity that I would expect if I were in his position. But I cannot see how we can fail to at least attempt to give the farmer, in the present economic situation, something in the nature of the same treatment that we are rendering to labor, Federal employees, the members of the armed services and industry, generally.

Mr. ALLEN of Illinois. Mr. Speaker, I yield myself such time as I may use.

Mr. Speaker, my good friend, the gentleman from Mississippi, has explained the rule. I regret that I do not agree with him in regard to the merits of this bill. I readily admit that I am no authority on agriculture, but I do know enough about the subject to realize that this is not a good bill. It should be defeated.

I come from the 16th Congressional District of Illinois. I believe there is not a more diversified agricultural district in the United States than the district I represent. It is my understanding that from 55 to 60 percent of the national farm income is derived from livestock. I would say that the ratio of 55 to 60 percent holds good in my district as well as most districts in the Midwest.

We all know that at the present time there are no Government controls on livestock. While I was home in my district last fall I met with many farm people. Without exception they told me that a fair price for cattle was from \$26 to \$28 a hundred. They told me, likewise, that a reasonable price for hogs was from \$19 to \$21 per hundredweight.

Last week the Chicago papers showed that the top price of cattle on the Chicago market was \$37.50 per hundredweight. That is the highest price received by cattlemen during the past 5 years. The same paper also stated that the price of hogs on the market in Chicago was \$22.50. That is the highest

hog price in many months. So I say when you start talking about rigid price supports that you must take into consideration the present state of the livestock market, for income from livestock accounts for 55 to 60 percent of the national farm income. You must not do anything to jeopardize those prices.

I would say that if this bill is passed the price of livestock will be jeopardized.

The gentleman from Colorado [Mr. HILL], before the Committee on Rules yesterday stated that there is a 300-percent surplus in feed grains. If you put a rigid price on feed grains with the present surplus of 300 percent it is only logical to assume that more feed grains will be produced to be added to the already overabundance. This fed to cattle will put more cattle on the market and the final result will be a breaking of the price of livestock.

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

Mr. ALLEN of Illinois. I yield.

Mr. COLMER. If I understand the gentleman correctly he takes the position that since livestock is not supported it is doing very well on the free and open market. Is that correct?

Mr. ALLEN of Illinois. That is correct.

Mr. COLMER. Is it not a fact that every time the price goes down for livestock, the livestock industry calls on the Government to come to their rescue and bail them out? Has that not been done on several occasions?

Mr. ALLEN of Illinois. I may say to the gentleman from Mississippi that has been true to a certain extent, but I do not believe to the same degree that it has with regard to cotton, peanuts, tobacco and those things.

Mr. COLMER. I point out to the gentleman that we are not asking for that kind of assistance. We are trying to prevent here a further decline in the income of the farmer while we are protecting everybody else with these bills and resolutions that we have passed in the last few days.

Mr. ALLEN of Illinois. I want to say, and I cannot emphasize this too much, Mr. Speaker, that now you have the livestock situation which brings to the farmers 55 to 60 percent of their national income and it is not under Government control. I predict now if you start holding these rigid price supports in regard to feed grains and other things, you will have the livestock market in the position where the farmers throughout the Middle West are getting a great deal of their income in the same position as other things that are now under control.

Mr. COLMER. As I stated a moment ago, I do not think this is the answer to the farm problem. On the other hand, would the gentleman go so far with his line of argument as to say that we should take the Government out of all of these various segments of our economy? It is true that we have a managed economy and if you are going to protect one segment of that economy you also have to protect the others.

Would the gentleman advocate the Government getting out of all of these?

Mr. ALLEN of Illinois. If this bill does not pass, and I hope it does not, the Government will not be out of it anyway. I have always stood for flexible price supports, not rigid price supports. And if this bill does not pass, it will not mean that the Secretary of Agriculture or the Government is going to be out of all stages of our agricultural economy.

Mr. Speaker, in conclusion I feel certain that after you have listened to the debate on this bill, you will probably agree, and will agree, that the flexible price-support program is the best for the farmer. I am convinced if you bring forth more of these rigid price supports you are going to find the livestock market in a much worse condition than it is at the present time.

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

Mr. ALLEN of Illinois. I yield to the gentleman from North Carolina.

Mr. COOLEY. It is true that the livestock people have not had and they do not now want any controlled program; but, as suggested by the gentleman from Mississippi [Mr. COLMER], a moment ago, in 1 year our livestock industry cost the taxpayers of America in the neighborhood of \$250 million, which amount was spent through a diversion program. Congress raised no complaint about that. The gentleman from Illinois has pointed out the situation that stock is now selling at a fair price, so far as hogs and cows are concerned. While your farmers may be prosperous, there are other farmers in the Nation that may be impoverished.

Now, the gentleman mentioned strict price supports, high-level supports. Cotton was supported during the years at 90 percent of parity, and after we had a cotton program for more than 20 years the program showed a net profit of \$267 million, and that profit was still on the books January 1, 1953. Since that time we have lost that profit and sustained tremendous losses. As pointed out by the gentleman from Mississippi [Mr. COLMER] it is not the purpose of this legislation to increase price-support levels. Mr. Benson last year fixed price supports on these commodities. We are only saying to him that "We accept your calculations of 1957 and we want to extend that program that you fixed through 1958 on price supports." Now, it seems to me that there should be no objection to this hold-the-line bill for agriculture. It is only stopgap legislation or hold-the-line legislation, and I hope that the gentleman will not oppose the passage of the bill, especially in view of the fact that the House committee substantially changed the bill and modified it and made it applicable to prices only for 1 year and acreage allotments for only 1 year.

Mr. ALLEN of Illinois. I will say to my good friend, the chairman of the Committee on Agriculture, that the soundness of my argument is the fact that the livestock industry, which is not under Government control, not under rigid price supports, is receiving from 55 to 60 percent of the national farm

income and probably doing better in the interest of the farmers than any other commodity. I think that is the soundness of my argument. Personally I am not going to ask for any rollcall on the rule, but I am convinced that after the membership of this House hears the debate and realizes that one segment of agriculture that is not under controls is better off than the other segments, they will not vote for this bill and put rigid price supports on and bring in more feed grains, which will break down that segment of agriculture.

Mr. BASS of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Tennessee.

Mr. BASS of Tennessee. I wonder if the gentleman remembers what the price of pork was in the spring of 1956, just 2 years ago.

Mr. ALLEN of Illinois. I will say to the gentleman that it was much lower than it is now.

Mr. BASS of Tennessee. Hogs were selling on the Chicago market in 1956 at \$12 a hundred. At that time the Secretary of Agriculture spent \$85 million in one program of buying pork and taking it off the market to increase the price. Now, pork and livestock prices run in cycles, and the very reason you have a good price on livestock this year is because it was so bad in 1956 that the people quit raising pigs and cattle. That is exactly what happened.

Mr. ALLEN of Illinois. There you are again supporting my argument. Why put controls on things and bring them down when they have done so well under conditions that prevailed before?

Mr. BASS of Tennessee. The reason prices are good now is because the Government did get into it and the Government had to support the industry, and that is the very reason it is in good shape today. They have spent as much money on individual commodities and livestock as they have on any other commodity of agriculture in the past 5 years.

Mr. COLMER. Mr. Speaker, I yield 5 minutes to the gentleman from Iowa [Mr. COAD].

Mr. COAD. Mr. Speaker, no one is more aware than I am that merely to freeze price supports on agricultural commodities is not enough to be anyway near the total solution to the farm problem. This resolution is admittedly a stopgap measure. It will provide only partial and temporary assistance to our farmers who have suffered 5 long years of economic decline. This thing called recession is nothing new to rural America. Today's national recession started on our farms when the farmer first began to lose his fair share of the national income. The farmer has had to sell the bulk of his products at depressed prices. The farmer is the only American merchant who buys everything at retail; who sells everything at wholesale; and pays the freight both ways.

If the American farmers had received a rightful share in the national income last year, they would have had \$15.2 billion more income to spend. But, the way it was, they lost out on this \$15.2

billion. This simply means the American farmers subsidized the processors, the middlemen, and everyone else who dealt in agricultural commodities. We hear so much about the farmers being subsidized. It is simple and plain that the farmers are the ones doing the subsidizing. The net income of farmers has dropped 24 percent from January 1953 to January 1958. In 1957 the net income was only \$11.5 billion which is the lowest total since 1942.

But the profits of food and kindred products manufacturers increased 36 percent from 1952 through 1956.

Obviously, taking away parts of the time-tested agricultural programs will not bring about a healthier farm economy. We are living in a time when 90 percent of everything we use in life is sold at an administered price. Until the farmer is able to effectively organize and control his own market it is the duty of Government to lend vital assistance.

Mr. Speaker, there are those in high official positions who realize the seriousness of this situation on the farm. Mr. Max Soeth, the chairman of the Agricultural Stabilization and Conservation Committee for the State of Iowa, has announced just this week that he is resigning that position because of the Benson-Eisenhower farm policy. This takes courage on the part of Mr. Soeth, but in this time and situation, men of purpose must act with courage.

The following is a news item appearing in the March 18, 1958, edition of the Des Moines Register announcing the stand and action of Mr. Soeth:

IOWA'S ASC CHIEF QUILTS; HTS BENSON

(By J. S. Russell)

Disagreement with the farm policies of Secretary of Agriculture Ezra T. Benson and the administration prompted the resignation of Max M. Soeth of Estherville as chairman of the Iowa Agricultural Stabilization and Conservation (ASC) Committee, it was learned here Monday.

Soeth's resignation is to be effective March 28 as chairman and as a member of the committee which administers the farm program in Iowa.

In a letter to Secretary Benson he cited several reasons why he could not continue to serve, and a copy of this letter was sent to President Eisenhower who has backed his Secretary of Agriculture in the face of considerable criticism.

A DISAPPOINTMENT

"Your address at the National Farm Institute in Des Moines recently was a disappointment to me," Soeth said in part in his letter to Secretary Benson.

"I cannot accept your recommendations to lower price supports, do away with acreage allotments and give the farmer more freedom.

"The farmer had that kind of freedom in 1930."

Soeth told the Secretary that some of the rulings coming out of Washington, D. C., had tended to prevent the farm programs in force from being successful. He also charged that Benson had discredited the Soil Bank program in his statements.

PRICE OF CORN

He criticized specifically the support of the price of corn raised by farmers who overplanted their acreage allotments and the fact that cross-compliance or control over

diverted acres under the farm program never was exercised.

"Granting price support for noncompliance corn when allotments were in effect was unfair to farmers then participating in the allotment program," Soeth told the Secretary.

"This action was not even good politics; it only aggravated and increased the surplus problem."

ADD TO PROBLEM

He went on to explain that 33 million bushels of 1956 corn was placed under price support at the low levels, and that a similar result on 1957 corn is certain which will add materially to our surplus and storage problem.

"I deeply regret that we never had a chance to try cross-compliance * * * such a step would have gone a long way toward reduction of production," Soeth said.

"The Soil Bank has been discredited by you in your recommendations to Congress.

"However, there has been a tremendous acceptance of the program in 1958, the first year in which it really could be given a fair trial and yet you wish to do away with the acreage reserve, the only program which effectively reduces production.

RESERVE LAND

"I am convinced that far greater participation in the acreage reserve could be obtained and certainly the cost would be less than the price support and storage payments for corn produced on potential acreage reserve land."

Soeth also criticized some of the statements by Secretary Benson and said he understood that the Department is telling farmers that lowering of price supports will mean savings in their food bill.

"This prompts recollection of the statement of the late Senator Capper, of Kansas, that 55 loaves of bread and other products come from a single bushel of wheat," he said.

"In other words, the cost of a loaf of bread would change very little even if the farmers received nothing for the wheat."

The resigning Iowa ASC chairman also told the Secretary that confusion is becoming worse than ever in the Department of Agriculture.

Soeth is to be succeeded as chairman of the State agricultural soil conservation committee by Joe F. Carber of Delmar. The new committee member is to be Chester R. Schoby of Algona.

Now, as I said at the beginning of these remarks, Mr. Speaker, this price support freeze resolution is not the final and total answer. But, it will provide some greatly needed assistance this crop year. This will give the Congress the opportunity to start building a more adequate farm program. The Congress is today meeting a grave responsibility in extending this assistance to our farmers. The products of the soil are the bases of all our new wealth, and if the price on these products is exploited, the entire national economy will suffer because the foundation of our national wealth will not exist.

Look what has happened. American agriculture has been underpaid. Without this vital income our farmers could not buy tractors and machinery. Automobiles are not purchased. Furniture stays in the stores. People are laid off in the factories, and a recession is started. Mr. Speaker, today we have full-blown recession in this country. There are over 5 million unemployed. The basis of this recession was laid when our farmers failed to receive their rightful share. We must pass this resolution today to help stem the tide of this recession.

As a temporary stimulus to business we can go into debt but debt is the pre-spending of profits and savings, and the time will come when debt must be repaid.

Since 1951 the total public and private debt has increased over \$270 billion. A sound national economy is based on earned income, not on indebtedness. We must have balanced production at fair prices, with full employment at fair and adequate wages.

As a Representative of the people of an agricultural district which is second to none, I urge the adoption of this resolution as a minimum starting point.

CALL OF THE HOUSE

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

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 26]

Barden	Doyle	McIntosh
Barrett	Durham	Macdonald
Bates	Fallon	Merrow
Blatnik	Forand	Mitchell
Boland	Garmatz	Moulder
Bow	Glenn	Radwan
Buckley	Gordon	Rains
Byrd	Grant	Rhodes, Ariz.
Cannon	Gray	Rivers
Celler	Gwinn	Shelley
Coudert	Hays, Ohio	Sheppard
Cunningham,	Heseltun	Sieminski
Nebr.	Hollifield	Thomson, Wyo.
Davis, Tenn.	Kean	Ullman
Dawson, Ill.	Kearney	Utt
Dies	Kearns	Wigglesworth
Dingell	Kee	
Dooley	Long	

The SPEAKER. On this rollcall 381 Members have answered to their names, a quorum.

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

Mr. COAD. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

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

There was no objection.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 4 minutes to the gentleman from Minnesota [Mr. H. CARL ANDERSEN].

Mr. H. CARL ANDERSEN. Mr. Speaker, I would not want to say that anyone is deliberately trying to cloud the issues involved in this resolution, but some of our colleagues have made some rather unusual statements and being men of considerable ability it seems they surely should know better. In the next few minutes, I want to try to set the record straight on some of the points that have been raised.

First, let us clearly understand what we have before us. It is simply a resolution by the Congress which says that the Secretary of Agriculture may not, for this 1 year only, reduce farm commodity price supports below those established for last year's crops. The same applies to acreage allotments. It is just as simple as that and you cannot make

anything else out of it. The Secretary of Agriculture established last year's price levels and he also set the acreage allotments. We are not giving him a mandate to do anything other than stick to the same figures he himself established last year and not go any lower. Under the resolution he could go up, but knowing him as we do that is hardly likely to happen.

This is not a new farm program. It does not tie the Secretary's hands in any way other than I have just described. This is no cure for agriculture's ills but it is an aspirin, so to speak, to alleviate the pain in the farm economy caused by Mr. Benson's low-price philosophies. These low-price policies of our Secretary of Agriculture are slowly but surely bleeding our farm economy white, and we seek here today to merely apply a tourniquet to slow the flow of economic blood in the agricultural areas of our Nation.

Now, let me answer some of the highly questionable charges that have been made against the resolution.

First, there is the contention that approval of this measure will raise prices for consumers. What kind of mathematics and what kind of logic is that? All we say is that the Secretary of Agriculture shall not lower price supports below those in effect last year. The commodities housewives buy today were produced last year. The only way this resolution could raise consumer prices would be for the middleman and the processors, and the big grocery chains to take a bigger bite out of consumers' pocketbooks—and if they do that it is high time the public knew just who is to blame for high retail food prices.

Nonfarm food handlers have been reporting their highest profits in history and it is inconceivable that they would seek to further increase those profits in the face of an economic recession. The truth is, Mr. Speaker, that this resolution has absolutely no influence or effect upon consumer food prices. A further fact should be noted, and that is the fact that farm prices have gone steadily down in recent years while consumer prices went steadily up. Consumer prices have not kept pace with producer prices and there is absolutely no reason for anyone to say this simple little freeze resolution would suddenly change that fact.

We should reject this argument for what it is, and it is nothing more than a desperate effort on the part of a few to cloud the issue in the name of consumers. They simply do not have any reasonable or factual arguments against the resolution so they seek by this diversion to switch a few votes.

Then, there is the argument that enactment of this resolution will cost vast and untold sums of money. Those of us who have worked with these farm programs for many years and, especially those of us who have worked with the Agriculture budgets, know that this argument is without foundation. On the contrary, Mr. Speaker, when you reduce the price-support level on commodities in CCC stocks you simply reduce the value of those commodities and the Gov-

ernment stands to lose more money than if we maintained the market price level. The constant pushing down of farm prices by Secretary Benson has proven costly, indeed, not only to farmers but to the Government as a result of the devaluation of the multi-billion-dollar holdings of the Commodity Credit Corporation.

Even if it did cost a few more dollars to hold up our farm economy at the 1957 level, how can any man who votes for billions of dollars in foreign-aid and public-works programs, running into more billions, vote, with conscience, against a resolution to freeze the minimum supports under our agricultural economy which is at the bottom of the ladder already. Any Member who thinks this through will reject the cost argument against the resolution.

Another argument is to the effect that there is no need for this resolution because the Committee on Agriculture is about ready to bring general farm legislation before us. Now, that one is really farfetched and we have heard it many times before. Last year, for example, the shoe was on the other foot when we had the Agriculture appropriations bill before us. You will recall that the advanced authorization for the Soil Bank was under attack and the proponents of the amendment to kill the Soil Bank argued that they merely sought a delay until the Secretary could testify before the Committee on Agriculture. They succeeded in killing the Soil Bank in the House by a very narrow margin, and I daresay many Members voted for the amendment striking out the funds on the basis of that plea for delay until the Secretary could testify. Well, he testified, and his testimony was no different from his earlier statements and did not change a thing. The Senate restored the Soil Bank and when the bill came back in conference not a voice was raised against it.

Any man or woman in this House who has been here a year or more knows that it is ridiculous in the extreme to set aside a deserving measure once it is brought before us in the hope that some other bill may someday be brought out of some committee. That is not good legislative procedure and everyone knows it. I hope you see through this flimsy argument and follow your own good judgment.

Still another argument is to the effect that hog and cattle prices are good right now and passage of this resolution will in some unexplained way tumble those prices. There is another far-fetched and baseless statement. In the first place, do not forget that the present livestock market is based on 1957 supply and market conditions and we seek by this resolution to do what? Simply to freeze minimum prices set for 1957 crops. This is a status quo proposal and will help maintain good livestock markets. There is nothing in it to do otherwise.

Failure to approve this resolution may, in the long run, be much more of a threat to the livestock market. Anyone who has ever raised hogs or fed cattle, and certainly anyone who has ever followed

the livestock market, knows that cheap feed eventually means cheap livestock. I argued this with Mr. Benson his first year in office and he disagreed with me, but I will say this for him—he has learned one thing at least and that is that cheap feed always leads to cheap livestock. Not too long ago he publicly stated that he had come around to my position on this. If there is anything certain in our agricultural economy, it is this eventual adjustment of livestock prices to feed prices. That is why I say, in the long-range best interests of livestock farmers, we must stabilize our feed grain prices or they will all be in the slump together. A vote for this resolution is as much in the interests of the livestock farmer as it is for the grain farmer, and do not let anyone tell you to the contrary.

Finally, Mr. Speaker, there are a few here who purport to speak for farmers themselves in opposition to this resolution. In answer to them, I would call attention to the source of these arguments. Note how very few Members from the real farming areas speak against this resolution. Note well that most of these opponents are from urban districts with little more than a few chicken farmers in their districts. Do you think for one moment that we from the agricultural Midwest who have devoted years of time and study to this subject would vote against the best interests of our constituents?

Just how do the people affected by this resolution feel about it? I hold in my hand a picture received in the mail this morning. Here is a great crowd of farmers, and they are voting on a resolution in support of the measure before us. If anyone doubts my word on this they can look at this picture and see every hand raised. The vote was unanimous in favor of action to prevent the Secretary moving to further depress farm prices.

This is a picture of the annual meeting of the members of the Atwater Creamery Co., at Atwater, Minn.

I also received in this morning's mail a letter dated March 18 and signed by Clarence Swenson, secretary, informing me that the directors of the Lake Park Cooperative Creamery, at Lake Park, Minn., had unanimously adopted the following resolution:

Resolved, That we inform our representatives in Congress from Minnesota and request that they favor the bill freezing all basic farm commodities at the present levels.

That, Mr. Speaker, is the will of farm people and I hope this House will be responsive to their urgent plea for appropriate action.

We are all agreed that we want to do what is reasonable and necessary to stem the tide of recession in our economy. What better place can we begin than to at least freeze the minimum support levels under our agricultural economy which is already on the lowest rung of our national economic ladder.

Halt the decline in our farm economy and you will have taken the first essen-

tial step to turn our national economy back up where we all want it to go.

I hope the resolution is approved by an overwhelming majority in the best interests of our entire Nation. I plead with our colleagues from the cities as well as the farms to take this critical first step back up.

Mr. ALLEN of Illinois. Mr. Speaker, I yield such time as she may consume to the gentlewoman from New Jersey [Mrs. DWYER].

Mrs. DWYER. Mr. Speaker, I rise to oppose the pending resolution.

Mr. Speaker, I wish to associate myself strongly with the views expressed by my colleagues who oppose the pending resolution.

In my view, this is the worst kind of farm legislation—harmful both to farmers and consumers. It extends to additional commodities a rigid price support program that has already failed. It will keep consumer prices arbitrarily high, with no corresponding advantage to farmers. Markets will be lost, both here and abroad. And the bill which taxpayers must pay for increasing farm surpluses will continue to grow indefinitely.

Try as I might, Mr. Speaker, I cannot appreciate the logic underlying this resolution. It will, in effect, force farmers on a wider scale than in the past, to produce commodities not for consumption but for storage. In the midst of plenty, this program is manufacturing scarcity—a scarcity of food which consumers can afford to buy. Fundamental foods like bread and butter and milk—staples which are essential in any well-balanced diet—are daily becoming too expensive for low and middle-income families to buy. And why? Not because these foods are difficult to produce or temporarily in short supply, but only because farmers find it to their dollars-and-cents advantage to sell to the Government at uneconomically high support prices.

Some of us have talked a great deal about the paradox of the present business recession, to the effect that in the midst of a declining economy and growing unemployment we are finding the consumer price index still climbing. Why is this so? To a great extent it has been brought about by rising food prices—prices which, because of high support levels, cannot adjust themselves to changing supply-demand conditions.

We are confronted with a terrible picture, Mr. Speaker, a picture of consumers with less and less money to spend and food costing more and more money to buy.

The Department of Agriculture has just announced a broadening of its program for distributing surplus food commodities to needy people. We might well ask ourselves how long it will be until substantial numbers of people will find themselves unable to purchase essential farm products and forced to get essential supplies from the Government's bursting bins of surplus foods. We may be rapidly approaching the time when Government warehouses will be the only grocery store consumers can afford to patronize.

I do not believe very many of us in this Chamber would seriously propose eliminating all agricultural controls or all forms of assistance to farmers. Our experience during the great depression confirmed the key role of the agricultural economy in the whole national economy. But I ask whether there is not some method by which Congress can relate the price of farm products to the supply of those products and the demand for them.

It seems evident to me that farmers would be the first to benefit by a system which permitted them to produce more for sale to consumers at prices which would enable consumers to buy more of their farm products.

I recognize that the problem is not so simple as I have stated it. But I do believe that that is the direction Congress ought to be taking, rather than—as the pending resolution provides—returning to an evertightening program of artificial scarcity and manipulated inflation.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. McVEY].

Mr. McVEY. Mr. Speaker, the Congress has before it today Senate Joint Resolution 162. This resolution has for its purpose the freezing of support prices and acreage allotments indefinitely at the 1957 level. There has been serious objection raised to this legislation by heads of farm organizations themselves. For example, Mr. Otto Steffey, president of the Illinois Agricultural Association, wires me, as follows:

Urge you oppose legislation freezing price supports and acreage allotments at 1957 levels. Such freezing action would result in further buildup of surpluses in hands of CCC to depress market prices further and cannot possibly be beneficial to farmers over long run. The continuation of corn allotments, though increased and with proposed Soil Bank requirements, leaves producers of other feed grains free to endanger corn's historic position as principal and most efficient feed.

In addition, Mr. Charles B. Shuman, president of the American Farm Bureau Federation, has sent me the following telegram:

Senate Joint Resolution 162 amended, rigidly fixing price supports and acreage allotments, is against the longtime interest of farmers and should not be approved.

Other reasons given as to why this resolution should not be adopted are as follows:

First. It would further destroy markets.

Second. It would pile up additional surpluses.

Third. It would cripple standards set for determining price supports and acreage allotments.

Fourth. It would increase greatly the cost of farm programs.

Fifth. It gives little help to small farmers.

Sixth. It would establish mandatory supports on nine additional commodities.

Seventh. It ignores effect of the transition to modern parity—takes us backward.

Eighth. It would be unfair to winter-wheat growers who signed up under the 1958 acreage reserve.

Ninth. It ignores most of the sound recommendations made by the President for further legislative action designed to expand markets and to reduce Government regulations and controls over our farmers.

There will be many arguments presented for and against this legislation, and I do not desire to go into a debate on this subject. I believe, however, that there are some facts with regard to the expenditures we have made to support prices that are not entirely understood by this body. We hear it stated frequently on the floor of the House that the cost of price supports has been a very low figure. It has been mentioned that these supports have cost us an average of about \$1 million per year for the last 20 years. Statements of this character are entirely fallacious. No one can even estimate what the final loss is going to be when these products are finally disposed of—if that event should ever come to pass. We have piled inventory upon inventory and billions upon billions under the assumption by many that this program has cost the Government very little. The fact that the Commodity Credit Corporation has requested total authorization of \$14 billion should be ample evidence of the fact that the probable loss to be sustained reaches a very large figure.

Until recently there was not much opportunity to judge this matter, due to the fact that such large supplies were held in inventory only. In recent years, during the present administration, we have tried to dispose of some of these products in large demand, and that is why the losses have loomed large during the last 2 years. This, in itself, is conclusive evidence that when these inventories are finally disposed of the loss will reach a very high figure.

Let us turn for a moment to the Commodity Credit Corporation. This agency was originally voted, in October 1933, the sum of \$3 million. Let us look at the increase in the responsibilities of this Corporation in recent years. The Banking and Currency Committee, of which I am a member, has been called upon to increase the authorization for sums to be used by this agency, as follows:

Mar. 8, 1938.....	\$500,000,000
Mar. 4, 1939.....	900,000,000
Aug. 9, 1940.....	1,400,000,000
July 1, 1941.....	2,650,000,000
July 16, 1943.....	3,000,000,000
Apr. 12, 1945.....	4,750,000,000
June 28, 1950.....	6,750,000,000
Mar. 20, 1954.....	8,500,000,000
Aug. 31, 1954.....	10,000,000,000
Aug. 11, 1955.....	12,000,000,000
Apr. 23, 1956.....	14,000,000,000

The totals at the present time on inventory for corn, cotton, and wheat are as follows:

Corn.....bushels..	1,099,872,029
Cotton, Upland.....bales..	2,306,806
Wheat.....bushels..	743,220,743

I have given enough facts in connection with this situation to indicate that the probable loss in the future when these inventories are disposed of will reach a very large figure. The storage costs of these crops reaches approximately \$1 million per day.

It is quite evident that price supports in the past have not solved the farm problems. Those supports have made very deep problems for the Federal Government, and problems from which it will take years to recover. I realize that the questions involved are serious. However, it appears to be true that farm assets are at an all-time high record—\$188 billion as of January 1, 1958. Owner equities rose 7 percent during 1957 to a figure of \$168.4 billion. Farm ownership is also at a record high. The postwar downtrend in prices which started in 1951 has been stopped. The level of living on farms is highest in history. Many farmers have signified that they want to return to the policy of supply and demand. This situation cannot be effected overnight, but certainly the freezing of farm prices at the 1957 level is not the answer to our problems.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Speaker, the resolution before us is to make in order a Senate joint resolution, which is very broad in nature and, which, I can say without fear of contradiction, is of great concern to every Member of this House.

When the Committee on Agriculture appeared before the Rules Committee it was stated by some of the members of that committee that if no action of any kind is taken at this time, such as that contemplated in this Senate joint resolution, within 60 days there would be a new general farm bill brought out for the consideration of Congress, and the view was expressed that if this joint resolution becomes law perhaps such action will not come about at this time, but would be postponed for another year or two.

Therefore, I am expressing the hope that someone on the Committee on Agriculture may offer an amendment, which I will support, to this resolution to extend the present price-support arrangements on basic crops, and on milk and dairy products, for another 90 days, so that the Committee on Agriculture may have an opportunity to present to us a new general agricultural bill, because I think there is a general feeling that the present program as it is now constituted is not satisfactory.

I also want to say that I hope in the motion to recommit we may be able to do that which the Committee on Agriculture did not see fit to do, and that is, have a separate vote on the question of freezing price supports at the present levels, for either 90 days or for a year, on milk and other dairy products, because it seems that the one sector of agriculture, at least in my section of the

country, which is hardest hit under the present situation are those farmers who are engaged in the production of milk and other dairy goods.

If such a motion to recommit is made to limit this joint resolution to the extension of price supports for dairy products, I shall support it, and if adopted, I can then support the bill. I hope that by these two amendments being presented to the House, if they are presented, the House can be given an opportunity to work its will, and to pass upon the various angles of this problem, rather than upon this broad, general bill which covers everything in the world of agriculture.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 2 minutes to the gentleman from Missouri [Mr. CURTIS].

Mr. CURTIS of Missouri. Mr. Speaker, I take these 2 minutes to point out that this joint resolution coming at this time is a confession by the critics of Secretary Benson that they have no program of their own, that they simply want to continue to snipe at and try to stop any program he may have. This is a confession of bankruptcy of ideas I might state.

Actually, an analysis of this shows that this freezing that is proposed here is going to badly hurt the farmers. It is certainly going to continue to hurt the consumers. I will be very much interested as this debate proceeds to see whether there are any Democratic Members of Congress representing consuming districts who will take the floor and raise their voices against such a reactionary movement as this resolution represents, because, I suggest, if they sit silent now, we can then conclude that they have cast their lot with anti-Benson critics.

Mr. ALLEN of Illinois. Mr. Speaker, hogs and cattle are produced, I believe in practically every farming district in United States. We all know that if this proposed legislation passes, there is going to be more production of feed grains which will bring about a reduction in cattle and pork products. I predict if this legislation passes in the near future prices of cattle and hogs will go down, and I just wonder how many people here representing districts where hogs and cattle are raised want that to happen. That, I believe, is of sufficient importance in itself for me to speak a second time on the pending rule. I say, hear me well when I say that in my considered judgment, if this legislation passes, hogs and cattle prices which do not have Government controls at this time will go down in the near future.

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

Mr. COLMER. Mr. Speaker, I yield 5 minutes to the gentleman from Georgia [Mr. BROWN].

Mr. BROWN of Georgia. Mr. Speaker, I support Senate Joint Resolution 162, which has as its purpose to interpose a 1-year stay on further support price or acreage allotment reductions in order to prevent any further decline in the farm economy while Congress formulates and

enacts more permanent legislation. The Committee on Agriculture has expressed the hope that new general farm legislation may be enacted at this session of Congress, but the committee report reveals that it is clear that such legislation cannot be enacted in time to prevent damaging cuts in price supports from going into effect. To fail to enact this legislation would reduce acreage allotments below present levels.

At a time when so many have turned their thoughts to solutions for the current recession, all of us should agree that further reductions in acreage allotments would adversely affect the agricultural economy and add to the present problems which result from the recession. Agriculture is the most basic segment of our economy, and previous recessions and depressions have started on the farm. The Committee on Agriculture has reminded the House that between 1920 and 1921 farm prices fell 41 percent and the national income fell 18 percent. We have been further reminded that between 1929 and 1932 farm prices fell 56 percent and the national income fell 44 percent, and that a great depression had demoralized the total economy.

In a recent speech on the floor of this House, I again repeated that we had learned through the experience of recessions and depressions that the conditions which prevail on the farm are ultimately reflected in the entire national economy. I further stated that it is the raw materials of the farms which start the wheels of industry, and the purchasing power from the farm commodity sales which so closely relate to the production levels which may be maintained in industry.

The committee report states that the committee amendment does not change the substance of the resolution but limits its application to the 1958 crop or marketing season in the case of price supports and to the 1959 crop in the case of acreage allotments. It is stated that the amendment underlines the committee's position that this resolution is not intended as permanent or affirmative legislation, but only as a measure to hold the line against further deterioration of the agricultural economy while new legislation is being formulated and enacted. This report further states that it is the hope of the committee to bring out a general farm bill which will include improved price support and production adjustment programs for the major agricultural commodities, and that commodity subcommittees are working diligently on these problems.

The Cotton Subcommittee began hearings on new cotton legislation in the early summer of 1957 and is now working on what it believes to be the final draft of legislation, and other commodity programs are receiving similar attention. The committee regards this legislation as necessary to bridge the gap until this new legislation can become law.

To permit further reductions in acreage allotments or a reduction in price supports through inaction would be unthinkable, for the farmers have been caught in a cost-price squeeze as a re-

sult of the high cost of the farm supplies they purchase as compared with the low prices they receive for farm commodities. This condition is now bringing about a noticeable sales loss in related industries and an indirect loss in sales for other businesses.

The farmer is required to operate in an economy in which he must pay higher prices because of subsidies paid to manufacturers and shippers, the increased wage and operating costs, and the higher prices which result from tariffs. The farmer has operated in a subsidized business economy, and payments to the farmer by the Government have served only to bring the farmer a part of his fair share of income.

There has been a trend for large numbers of farmers to move to towns and cities in recent years. If we fail to pass legislation under which the farmers can remain on the farm the effect will be to add to the growing unemployment problems of our industrial areas.

The committee report reveals that the total acreage allotted to cotton for 1958—17,554,528 acres—is slightly below the total acreage allotted to cotton in 1957—17,585,463 acres.

The committee report states that this resolution proposes to prevent another half billion dollar slash in farm income, which would occur in 1958 if the reduced price-support rates announced by the Secretary of Agriculture become effective. The Committee on Agriculture has pointed out the urgency of this legislation in view of the economic situation which makes it imperative that the drop in farm income be halted—not only for the benefit of hard pressed farmers but also for the welfare of the economy as a whole. The committee has also pointed out that the Nation is in a general economic recession, that business is declining and unemployment increasing, and that our agriculture has been in a decline for 5 years.

I urge the passage of Senate Joint Resolution 162, and I hope in the meantime and before this session is over we can formulate and enact a positive program, based upon a determination to find new uses for our farm products; to recover our lost foreign markets; and to encourage local areas in their efforts to achieve a properly diversified program within these areas.

Mr. COLMER. Mr. Speaker, I yield 4 minutes to the gentleman from North Dakota [Mr. BURDICK].

Mr. BURDICK. Mr. Speaker, it seems to me on a question of this kind we have short memories. We cannot remember that when I entered Congress a few years ago we had 15 million people milling around the eastern seaboard for something to eat. We have forgotten all about wheat at 26 cents a bushel, hogs of no value, cattle at 2 cents, except in the arid West where they were 1 cent, and the buying power of the American farmer had entirely gone.

When farmers could not buy, the merchants could not sell; and when the merchants could not sell, factories closed and men went out of jobs.

I remember when this thing started in 1920, when the Federal Reserve Board put on the squeeze on a pay-up policy. We went broke in the West in 1920, but it did not reach the East until 1932. I remember what they said: "We have fed those farmers with a silver spoon long enough; if they cannot make a go of it let them get into something else."

The result was that the depression did not hit the East until 12 years later. Twelve years after 1920 you had soup lines in Boston, Philadelphia, and all over the industrial East.

I was able to convince only one man in this Congress that the plight of the farmers was the plight of the people in the East when these soup lines were formed, and he was JOHN McCORMACK, of Massachusetts, who did not have a farm in his district. He could see what was coming.

The same thing is repeating itself now. Since 1951, the average price of farm commodities has gone down 25 percent, and everything the farmer buys has gone up 15 percent. So where do you see you are going?

I hate to see the Democratic Party the only party in this Congress that can see any protection for farmers. Very few Republicans will speak for this resolution, very few of them.

I want to tell you I am speaking for it, and the people of North Dakota will speak for it. Secretary Benson has done damage enough without having a bunch of Representatives tagging along supporting him. The longer you trail him the less votes you will get, take it from me.

He has worked on the wrong theory. He said, "Why, the price of bread is 26 or 27 cents a loaf due to the fact that we supported wheat."

Mr. Speaker, if wheat was 50 cents a bushel bread would be the same price it is today. How many raises have you had in steel, how many raises have you had in freight rates and labor costs since that formula was adopted? Can you go back now and change the freight rates? Can you go back now and change the labor rates? Do you not think that the price is pretty well fixed on wheat? And wheat has very little to do with it.

Now, Mr. Benson should have been speaking for the farmers and not trying to stir up the consumers on a thing that is not true.

Mr. COLMER. Mr. Speaker, I yield the balance of the time to the gentleman from Mississippi [Mr. WHITTEN].

Mr. WHITTEN. Mr. Speaker, as chairman of your Agricultural Appropriations Subcommittee, we have concluded hearings on that appropriations bill some 30 minutes ago. The last witness who appeared before us was the Secretary of Agriculture, and I regret to announce that he told us he had not changed his mind a bit. He told us that he was going to insist from now on, so long as he is in the Department, on his present course. He made that statement after I cited figures from his own Department, submitted by his own people to our committee.

That record shows that in 5 years under his administration farm income has gone down more than \$2 billion a year. In that 5 years at the Secretary's request the money paid directly out of the Treasury from the taxpayers' money to the farmers, was from \$213 million the first year he came in until in 1957 he was paying out of the Treasury in direct payments in an effort to make up lost income which the farmer had lost at the market place more than \$1 billion. These payments are included in the poor income figures for farmers today. Mr. Speaker, in that 5 years the money that is required for a farmer to invest in order to farm has increased from \$23,000 to \$27,000, approximately. In that period of 5 years the number of employees in the Department of Agriculture has increased by 17,000, and in those 5 years the cost of operating the regular activities of the Department of Agriculture has increased from approximately \$728 million a year in 1952 to more than \$1,660,000,000 requested in the budget for the coming year.

No; that record shows that over a 5-year period farm income has gone down, payments out of the Treasury have gone up, and the consumers' prices have risen. And, the take of the group between the farmer and the consumer has greatly increased. The farmer's share of the consumer's dollar has gone down from approximately 47 percent to 40 percent, and that whole amount has been taken up by those between the farmer and the consumer, and the consumer pays more. Now listen to this. In 20 years pre-Benson the total cost of price supports and everything connected with the Department of Agriculture was only \$18,146,000,000 for 20 years. In 5 years under Secretary Benson the cost was some \$11,757,000,000. In other words, in 5

years under this man, with the resulting ill effects on the farmer, in 5 years he has spent approximately 60 percent of what it cost for the 20 years preceding him.

Mr. DAWSON of Utah. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Utah.

Mr. DAWSON of Utah. Has not this increase the gentleman is talking about occurred while the very act was in existence which this resolution would attempt to freeze into existence?

Mr. WHITTEN. No. May I say this. I do not mean to get personal, but did any of you ever read the President's veto message of the Democratic farm bill in 1956 and read it closely? It is one of the most adroitly worded messages I ever read. The first half vetoes the farm bill, because he said it fixed high level price supports, and the President was applauded in the press around the country, but the second half fixed high level price supports, and then he got a commendation for helping agriculture, and it is in the same message. May I say to you that in the period that the Secretary has reduced price supports by approximately 20 percent farm income has gone down almost in the same proportion. May I say to you that under his administration, including the period when he has had lower price supports, contrary to what you may think, the investment in Commodity Credit Corporation stocks has increased from \$2.5 billion, when he went in, to \$7.2 billion. May I repeat, farm income is down and the consumers' costs are up and the costs from the Treasury have increased and the Government investment has almost tripled. No; those of you who remember the basis for the farm program will realize this, that in view of all the protections that are in existing law that

automatically will run up costs, all of them will be pushed back down on the raw material producer in the absence of price supports. There are only two ways for the farmer to get a fair price at the market place. One of them is to shrink his production to the point that you have a scarcity, which will create a market but will hurt the consumer. If you did that, the farmer's units would be so low that his income would be worse than before. The other is to fix by law, loan or purchase contracts whereby the user of his product will have to pay it in order to get it. If price supports are 60 percent or 90 percent, under either the Benson theory or the present law, the Government is going to end up with a surplus in either instance. But, the record of 5 years shows that as you reduce price supports, the farm price will have to be made up by increasing the units of production, as the farmers try to make up in volume what he lost in price, and that is shown by the record of 5 years where the investment of commodities by the Commodity Credit Corporation has grown from \$2.5 billion when he went in to \$7.2 billion, and that happened after we have used all means of disposing of it, selling it, giving it away, destroying it, or what not.

You cannot go along with this man's record without being convinced—in fact, he is about the only man that I can think of that his own record would not convince if you had time to study it.

Now, I am putting in the Record, if I have permission, Mr. Speaker, pages 55, 56, 54, 71, 65, and 66 of the agriculture hearings which we just concluded, which were placed in the record by the Department of Agriculture itself.

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

There was no objection.

Farm income data: United States, 1939, 1946-57

Item	Unit	1939	1946	1947	1948	1949	1950	1951	1952	1953	1954	1955	1956	1957 ¹
Total farm income														
Cash receipts from farm marketings.....	Million dollars.	7,872	24,770	29,664	30,253	27,864	28,405	32,928	32,556	31,183	29,944	29,542	30,372	30,019
Realized gross farm income ²	do.....	10,556	29,324	34,022	34,586	31,582	32,105	37,060	36,732	35,126	33,717	33,212	34,369	34,424
Production expenses.....	do.....	6,162	14,324	16,831	18,643	17,969	19,248	22,258	22,476	21,246	21,527	21,631	22,299	22,892
Realized net income of farm operators ³	do.....	4,394	15,000	17,191	15,943	13,613	12,857	14,802	14,256	13,880	12,190	11,581	12,070	11,532
Total net income of farm operators ⁴	do.....	4,489	14,923	15,458	17,695	12,866	13,716	16,111	15,120	13,263	12,684	11,852	11,600	12,121
Net income to persons on farms from farming ⁵	do.....	5,189	16,721	17,383	19,704	14,651	15,459	18,003	17,044	15,094	14,438	13,590	13,374	13,944
Income to persons on farms from all sources ⁶	do.....	7,689	21,021	22,283	24,804	19,851	20,759	23,603	23,144	21,094	20,238	19,890	20,074	20,244
Number of farms and income per farm														
Number of farms.....	Thousands.....	6,441	5,926	5,871	5,803	5,722	5,648	5,535	5,421	5,308	5,201	5,087	4,964	4,857
Realized net income per farm.....	Million dollars.....	682	2,531	2,928	2,747	2,389	2,276	2,674	2,630	2,615	2,344	2,277	2,432	2,374
Total net income per farm.....	do.....	697	2,518	2,633	3,049	2,249	2,428	2,911	2,789	2,499	2,439	2,330	2,337	2,496
Net productive assets per farm ⁷	Dollars.....	6,094	12,435	14,137	15,871	17,109	16,962	20,397	23,188	22,928	22,553	23,786	25,075	27,000
Farm population and income per person														
Farm population.....	Thousands.....	30,840	26,483	27,124	25,903	25,954	25,058	24,160	24,283	22,679	21,890	22,158	22,257	20,396
Income per person on farms:														
From agriculture.....	Dollars.....	168	631	641	761	564	617	745	702	665	660	614	601	684
From all sources.....	do.....	249	793	822	958	765	828	977	953	930	925	898	902	993

¹ Tentative estimates. Preliminary estimates will be published in early March.

Revised estimates based on more complete information will be published in July.

² Cash receipts from farm marketings, Government payments, value of home-produced food and fuel, and rental value of farm dwellings.

³ Realized gross income minus production expenses.

⁴ This series is total gross farm income minus production expenses. Total gross farm income is realized gross farm income plus value of change in farm inventory.

⁵ Total net income of farm operators, plus farm wages of farm workers living on farms.

⁶ Income to persons on farm from farming plus income to persons on farms from nonfarm sources.

⁷ Value of farm real estate less value of dwellings, crops held for feed, livestock, machinery, and equipment, less 60 percent of the automobile and demand deposits used for production. Farm debt has been deducted from the value of productive assets.

The farm food market basket: Retail cost, farm value, marketing margin, and farmer's share of retail cost, 1947-57

Year and month	Retail cost ¹	Farm value ²	Farm-retail spread	Farmer's share (percent)	Year and month	Retail cost ¹	Farm value ²	Farm-retail spread	Farmer's share (percent)
1935-39 average.....	(³)	(³)	(³)	50	1956—July.....	\$1,005	\$407	\$598	40
1947.....	\$911	\$467	\$444	41	August.....	988	403	585	41
1948.....	982	497	485	51	September.....	988	402	586	41
1949.....	928	435	493	47	October.....	987	398	589	40
1947-49 average.....	940	466	474	50	November.....	981	390	591	40
1950.....	920	432	488	47	December.....	979	389	590	40
1951.....	1,024	497	527	49	1957—January.....	978	389	589	40
1952.....	1,034	482	552	47	February.....	988	380	608	38
1953.....	1,003	445	558	44	March.....	981	386	595	39
1954.....	986	421	565	43	April.....	992	395	597	40
1955.....	969	395	574	41	May.....	1,000	391	609	39
1956.....	972	390	582	40	June.....	1,014	400	614	39
1957 ⁴	1,007	400	607	40	July.....	1,029	410	619	40
1956—January.....	947	369	578	39	August.....	1,036	419	617	40
February.....	942	365	577	39	September.....	1,026	411	615	40
March.....	942	373	569	40	October.....	1,017	401	616	39
April.....	951	381	570	40	November.....	1,011	407	604	40
May.....	964	395	569	41	December.....	1,012	412	600	41
June.....	991	405	586	41					

¹Retail cost of average quantities of farm foods purchased per urban wage-earner and clerical-worker family in 1952, calculated from retail prices collected by the Bureau of Labor Statistics.

² Payment to farmers for equivalent quantities of farm produce minus imputed value of byproducts obtained in processing.

³ Comparable dollar figures not available. The farmer's share and index numbers of the retail cost, farm value, and farm-retail spread for the years 1913-56 are published in Farm-Retail Spreads for Food Products, U. S. Department of Agriculture Miscellaneous Publication 741, 1957.

⁴ Preliminary estimates.

Selected data relating to agriculture, United States, 1939, and 1946-57

Year	Prices received by farmers	Prices paid or parity index	Parity ratio	Farm output			Food consumption per capita	Agricultural exports	Cash receipts from farm marketings ¹	Realized net income of farm operators ^{1,2}	Total farm debt Jan. 1	Index farm-land values per acre Mar. 1	Food market basket ³	
				Total	Livestock and products	Crops							Farm value	Marketing margin
				Index numbers 1910-14=100	Percent	Index numbers 1947-49=100							1947-49=100	Millions of dollars
1939.....	95	123	77	80	85	82	94	655	7,872	4,394	10.0	82	172	279
1946.....	236	208	113	98	101	98	104	3,173	24,770	15,000	8.0	141	396	562
1947.....	276	240	115	95	100	93	102	3,957	29,664	17,191	8.5	157	467	444
1948.....	287	260	110	104	97	106	99	3,472	30,253	15,943	9.3	170	497	485
1949.....	250	251	100	101	103	101	99	3,578	27,864	13,673	11.4	177	435	493
1950.....	258	256	101	100	107	97	100	2,873	28,405	12,857	12.5	174	432	488
1951.....	302	282	107	103	112	99	98	4,040	32,928	14,802	13.1	200	497	527
1952.....	288	287	100	107	112	103	100	3,431	32,556	14,256	14.6	221	482	552
1953.....	258	279	92	108	114	103	101	2,847	31,183	13,880	16.1	221	445	558
1954.....	249	281	89	108	117	101	101	3,054	29,944	12,190	17.2	216	421	565
1955.....	236	281	84	112	120	105	102	3,199	29,542	11,581	17.8	224	395	574
1956.....	235	285	82	113	122	106	103	4,167	30,372	12,070	18.9	232	390	582
1957.....	242	296	82	113	121	106	102	4,500	30,019	11,532	19.5	247	400	607
1956: 4th quarter.....	234	289	81					1,332	30.9	12.6		241	393	590
1957:														
1st quarter.....	237	294	81					1,283	30.3	11.7		247	385	597
2d quarter.....	243	296	82					1,129	30.0	11.4			395	607
3d quarter.....	247	295	84					962	29.8	11.5		253	414	616
4th quarter.....	241	298	81					1,126	30.0	11.5		259	407	607

¹ Quarterly data are seasonally adjusted annual rates.

² Note this is net income of farm operators from farming. Net income to all persons on farms, including hired farm labor, from both farm and nonfarm sources, is a different series, estimated at \$7,689,000,000 for 1939 and \$19,800,000,000 for 1957.

³ The market basket includes estimated quantities of farm food products purchased per urban wage-earner and clerical-worker family in 1952. Marketing margin equals difference between the retail cost and the farm value. Data for 1939 and 1946 not strictly comparable.

⁴ As of Dec. 31.

⁵ Preliminary.

⁶ Nov. 1.

⁷ Mar. 1.

⁸ July 1.

⁹ December estimated.

Source: Compiled from Agricultural Marketing Service, Agricultural Research Service, and Foreign Agricultural Service data.

Hourly earnings of factory workers and urban retail food prices, United States, 1929-57

Year	Gross hourly earnings of factory workers ¹	Hourly earnings of factory workers (1947-49=100)	Retail food prices (1947-49=100)
1929.....	\$0.566	42.6	65.6
1930.....	.552	41.5	62.4
1931.....	.515	38.8	51.4
1932.....	.446	33.6	42.8
1933.....	.442	33.3	41.6
1934.....	.532	40.0	46.4
1935.....	.550	41.4	49.7
1936.....	.556	41.8	50.1
1937.....	.624	47.0	52.1
1938.....	.627	47.2	48.4
1939.....	.633	47.6	47.1
1940.....	.661	49.7	47.8
1941.....	.729	54.9	52.2
1942.....	.853	64.2	61.3
1943.....	.961	72.3	68.3
1944.....	1.019	76.7	67.4

¹ Gross earnings do not include an adjustment for fringe benefits for tax deductions.

Hourly earnings of factory workers and urban retail food prices, United States, 1929-57—Continued

Year	Gross hourly earnings of factory workers	Hourly earnings of factory workers (1947-49=100)	Retail food prices (1947-49=100)
1945.....	\$1.023	77.0	68.9
1946.....	1.086	81.7	79.0
1947.....	1.237	93.1	95.9
1948.....	1.350	101.6	104.1
1949.....	1.401	105.4	100.0
1950.....	1.465	110.2	101.2
1951.....	1.59	119.6	112.6
1952.....	1.67	125.7	114.8
1953.....	1.77	133.2	112.8
1954.....	1.81	136.2	112.6
1955.....	1.88	141.5	110.9
1956.....	1.98	149.0	111.7
1957 ²	2.08	156.5	115.4

² Preliminary.

Agricultural Marketing Service. Compiled from reports of Bureau of Labor Statistics.

Government payments to farmers from the Treasury, 1939 and 1946-57

Year	Conservation program	Sugar Act	Wool program	Soil Bank program	Other	Total
1939.....	\$526	\$28			\$209	\$763
1946.....	285	31			456	772
1947.....	277	37				314
1948.....	218	39				257
1949.....	155	30				185
1950.....	246	37				283
1951.....	246	40				286
1952.....	242	33				275
1953.....	181	32				213
1954.....	217	40				257
1955.....	188	41				229
1956.....	220	37	\$54	\$243		554
1957 ³	228	39	49	700		1,016

¹ Price Adjustment Act of 1938, \$201 million; cotton price adjustment, \$8 million.

² Production payments: Dairy, \$401 million; beef, \$22 million; sheep and lambs, \$33 million.

³ Preliminary.

Farm income and productive farm assets per farm, 1940 and 1946-57

Year	Number of farms	Realized gross farm income per farm	Production expenses per farm	Realized net income per farm ¹	Value of productive farm assets per farm, Jan. 1	Realized net income per farm as percent of net value of productive farm assets ²
1940	6,350	\$1,738	\$1,063	\$675	\$6,094	14.9
1946	5,926	4,948	2,417	2,531	12,435	22.8
1947	5,871	5,795	2,867	2,928	14,137	23.1
1948	5,803	5,960	3,213	2,747	15,871	19.3
1949	5,722	5,519	3,130	2,389	17,109	15.8
1950	5,648	5,684	3,408	2,276	16,962	15.4
1951	5,535	6,695	4,021	2,674	20,397	14.8
1952	5,421	6,776	4,146	2,630	23,188	12.8
1953	5,308	6,618	4,003	2,615	22,928	13.1
1954	5,201	6,483	4,139	2,344	22,553	12.2
1955	5,087	6,529	4,252	2,277	23,786	11.2
1956	4,964	6,924	4,492	2,432	25,075	11.4
1957 ³	4,857	7,087	4,713	2,374	27,000	10.4

¹ Realized net income per farm represents income within year and is the net realized return to farmer's labor, management and capital combined. For an analysis of hourly returns to farm operator and family labor, after allowing for 4.75 percent return on capital investment, see following table. Estimated return per hour to all farm labor, 1940 and 1946-57.
² Productive farm assets less farm debt.
³ Preliminary.

Estimated return per hour to all farm labor

Year	Total realized return to all farm labor and capital ¹	Allowance for capital at 4 3/4 percent ²	Total return to labor and management ³	Total man-hours required for agricultural production ⁴	Realized return per hour to all farm labor and management ⁵
	(1)	(2)	(3)	(4)	(5)
1929	\$8,982	\$2,997	\$5,985	23,158	\$0.258
1930	6,908	2,955	3,953	22,921	.172
1931	4,775	2,603	2,172	23,427	.093
1932	3,419	2,179	1,240	22,605	.055
1933	4,209	1,819	2,390	22,554	.106
1934	5,407	1,926	3,481	20,232	.172
1935	6,261	1,991	4,270	21,052	.203
1936	6,889	2,138	4,751	20,440	.232
1937	7,080	2,203	4,877	22,097	.221
1938	6,047	2,206	3,841	20,577	.187
1939	6,247	2,140	4,107	20,680	.199
1940	6,245	2,157	4,088	20,445	.200
1941	8,553	2,241	6,312	20,054	.315
1942	11,831	2,566	9,265	20,857	.444
1943	15,386	3,013	12,373	20,693	.598
1944	15,871	3,404	12,467	20,496	.608
1945	16,604	3,724	12,880	19,127	.673
1946	19,303	4,051	15,252	18,448	.827
1947	21,849	4,559	17,290	17,622	.981
1948	20,735	5,044	15,721	17,149	.917
1949	18,175	5,299	12,876	16,604	.775
1950	17,367	5,198	12,169	15,259	.797
1951	19,713	6,053	13,660	15,632	.874
1952	19,293	6,723	12,570	15,196	.827
1953	18,675	6,542	12,133	15,007	.808
1954	16,874	6,319	10,555	14,555	.725
1955	16,249	6,507	9,742	14,505	.672
1956	16,954	6,628	10,326	14,177	.728
1957	16,489	7,014	9,475	13,743	.689

¹ Includes realized net income of farm operators, wages to hired farm labor, farm mortgage interest, rent to non-farm landlords and short-term interest.
² 4 3/4 percent of current value of farm real estate, inventory value of crops and livestock, inventory value of motor vehicles and machinery, excluding 60 percent of the automobile, and an allowance for working capital. This rate approximates the interest rate on farm-mortgage debt in recent years.
³ Col. (1) minus col. (2).
⁴ Labor requirements in terms of the number of man-hours required for an average adult male worker to perform the various farm jobs.
⁵ Col. (3) divided by col. (4).

Source: Agricultural Marketing Service, Jan. 16, 1958.

Income of farm population

[Millions of dollars]

	1952	1955	1956	1957	1957 compared to 1952
Cash receipts (gross) from marketings:					
Livestock and products	18,299	15,879	16,250	17,134	-1,165
Crops	14,257	13,663	14,122	12,885	-1,372
Total, marketings	32,556	29,542	30,372	30,019	-2,537
Government payments:					
Agriculture conservation program	242	188	220	228	
Sugar Act	33	41	37	39	
Wool Act			54	49	
Soil Bank			243	700	
Total Government payments	275	229	554	1,016	+741
Noncash income:					
Home consumption	2,266	1,704	1,716	1,614	
Rental value, farm dwellings	1,635	1,737	1,727	1,775	
Total, noncash income	3,901	3,441	3,443	3,389	-512
Realized gross income from farming	36,732	33,212	34,369	34,424	-2,308
Less: Production expenses	-22,476	-21,631	-22,299	-22,892	+416
Realized net income from farming (including cash payments)	14,256	11,581	12,070	11,532	-2,724
Net change in farm inventory	+864	+271	-470	+589	-275
Total net income from farming (including estimated value unsold commodities)	15,120	11,852	11,600	12,121	-2,999
Farm wages, laborers on farms	1,924	1,738	1,774	1,823	-101
Nonfarm income	6,100	6,300	6,700	6,300	+200
Total income of farm population (including off-farm employment)	23,144	19,890	20,074	20,244	-2,900

¹ Minus 8 percent.
² Minus 2.1 percent.
³ Minus 12.5 percent.

USDA appropriations

[In millions]

	Total	Average per year
1934-53, both inclusive:		
Regular activities	\$15,001.5	\$750.5
Capital stock, crop insurance	100.0	5.0
Capital impairment, CCC ¹	2,633.2	131.7
Special activities	411.7	20.6
Total, 20 years	18,146.4	907.3
1954-58, both inclusive:		
Regular activities	4,952.7	990.5
Capital stock, crop insurance	13.0	2.6
Capital impairment, CCC ²	2,817.1	563.4
Special activities (including Public Law 480)	3,974.9	795.0
Total	11,757.7	2,351.5
1954 total	1,157.2	
Net 1955-58	10,600.5	
1959 budget	3,422.9	
1954-59	15,180.6	

¹ CCC investment, Jan. 1, 1953, \$2.5 billion. CCC borrowing authority, Jan. 1, 1953, \$6,750 billion.
² CCC investment, Jan. 1, 1958, \$7.2 billion. CCC borrowing authority, Jan. 1, 1958, \$14.5 billion.

Mr. WHITTEN. Mr. Speaker, may I point out one thing. You know, this Secretary is one of the most adroit users of figures that I ever saw. He has said that the record for the last year shows that the per capita farm income was the highest in history. That sounds mighty nice. The total income per year is only \$993 per year. Do you know what that includes? It includes the \$309 a year that the farmer has been making in town. His farm income, plus the \$309 a year that he has been making in town total only \$993. You know, when you think of it, when you realize that the farmer is making only \$309 in town in a whole year, it makes you wonder if they are not paying him mighty cheap rates even

in town, because that when added to farm income totals only \$993.

No. Another answer that is given by our great Secretary of Agriculture is that the answer to the question is for the small farmer to get off the farm, and that will relieve your surpluses. He agreed a few moments ago that 44 percent of our farmers produce 91 percent of our commercial production, that which goes into commercial trade. Thus, if he succeeded in getting rid of the entire number of small farmers, 56 percent of the total, he would be working on only 9 percent of the production that goes into the commercial market, and if, perchance, he could rid of the 56 percent of all the farmers, they would only join the unemployment lines in your cities. Yes, it would only add to the unemployment lines in the cities. And what would be the total result in production. This small farm, added to the larger farm, which has equipment and machinery, would result in greatly increased production and not in a reduction as he would hold out to you.

Mr. DAWSON of Utah. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. DAWSON of Utah. If 50 percent of the farmers are producing 90 percent of the production, why should we be giving all these price supports to those who produce the 90 percent? It is the little farmer who needs the help, according to the gentleman's own argument.

Mr. WHITTEN. The gentleman comes from the same State as the Secretary, and I cannot understand their reasoning. Neither apparently understands the farm program. The price-supports program is not to give anybody anything. We live in a complex society where, if

you do not give protection in law in view of other laws, the cost of all of other laws will be passed back on to the producer, which will push him right down into the situation that caused the depression in the thirties.

We have tried to tell the Secretary of Agriculture and my friends on my left, you cannot let farm income go down for 5 straight years without its being felt in your cities, and you see it there now.

Mr. H. CARL ANDERSEN. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman.

Mr. H. CARL ANDERSEN. Has the gentleman ever heard the Secretary say anything against high price supports on sugar or wool?

Mr. WHITTEN. No; I have not. And I have not heard any of his colleagues from his area say anything against that, either.

The SPEAKER. The time of the gentleman from Mississippi [Mr. WHITTEN] has expired.

Mr. COLMER. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

Mr. COOLEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution (S. J. Res. 162) to stay any reduction in support prices or acreage allotments until Congress can make appropriate changes in the price support and acreage allotment laws.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution, Senate Joint Resolution 162, with Mr. ENGLE in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. COOLEY. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, I take this time to say to the House that our Committee on Agriculture, working through subcommittees, has been constantly busy since Congress convened early in January. We have 17 subcommittees. Each of those subcommittees has been dealing with separate and distinct problems affecting the welfare of our farmers. This joint resolution is here as a hold-the-line or stopgap measure to prevent the farmer's sliding further toward bankruptcy, until our committee can bring out overall farm legislation.

I do not think it is unreasonable for us to ask this House to accept Mr. Benson's decisions of 1957. He fixed these price supports within the authority of his own discretion. If these prices were satisfactory to him in 1957, why should they not be satisfactory to him in 1958? That is exactly the question you have to decide.

I shall not trespass longer upon your patience. I shall yield time to the several chairmen of our subcommittees. We have a committee on wheat, one on

livestock and feed grains, one on rice, and others on other commodities. I shall at this time yield 5 minutes to the gentleman from Oklahoma [Mr. ALBERT], who is the distinguished chairman of our subcommittee which deals with the problems of wheat farmers.

Mr. ALBERT. Mr. Chairman, Senate Joint Resolution 162 does two things: First, it freezes the support prices at the 1957 level on 1958 crops and, secondly, it provides that there shall be no reductions in acreage allotments in 1958.

So far as wheat is concerned, the second provision of this bill will have little bearing. The national wheat acreage allotment of 55 million acres is the minimum allotment under the law, and that minimum has been in effect for several years. It will be in effect next year either under present law or under this resolution. So far as price supports are concerned, this joint resolution is of tremendous importance to the wheat farmers of America. In 1957 wheat was supported at 79 percent of parity, approximately \$2 per bushel across the Nation. Under the present program of the Department of Agriculture this year's wheat crop will be supported at 75 percent of parity or approximately \$1.78 a bushel across the Nation.

The most recent estimate of the 1958 wheat crop is only 2 days old. It was published by the Department of Agriculture in its Crop Production Report on March 18. The estimate for this year's crop is 1,077 million bushels of wheat. On the basis of this estimate, this joint resolution will mean \$227 million to the wheat farmers of America. The difference of nearly a quarter of a billion dollars is not an imaginary difference. The price of wheat over the years has lagged slightly behind the support price. There is no question, based upon the experience of many, many years, that if this bill is passed, wheat will be marketed during this marketing year at less than \$1.78 a bushel.

The additional one-quarter of a billion dollars of purchasing power going to the wheat farmers of America under this bill will be of enormous benefit to our entire economy. The wheat farmers are consumers of many types of industrial and manufactured goods. Prosperity in the Wheat Belt and for that matter, throughout the Farm Belt, is reflected in the general economy of the country as has been said by many gentlemen repeatedly this morning. For several weeks now, both the Congress and the administration have been concerning themselves with the current recession. There can be no doubt but that the long years of declining farm prices have contributed materially to the current recession. There can be no question but that the ever decreasing purchasing power of the farmers of this country has manifested itself in the lengthening rolls of the unemployed. Every year since 1952, farm income has gone down while interest income and income from dividends and corporation profits have gone up and up and up. In 1956 net farm income was \$11.6 billion. In the same year, Mr. Chairman, income from dividends was \$11.9 billion. In 1956, for the

first time in the history of this country, income from dividends exceeded net income from the farms of this country. For the first time in the history of this country, the coupon clippers made more money than the farmers. Every year from 1952 to 1956, farm income went down and income from interest and dividends went up. The present recession is farm bred and farm fed.

Every year net farm income has become less and less while consumer costs for farm products have become more and more. Studies by the Committee on Agriculture, based on figures furnished by the Department of Agriculture, show that in January 1948 the farm price of wheat reached a peak of \$2.81 a bushel, and the average price of a 1 pound loaf of bread at that time was only 13.8 cents. In 1955, the farm price of wheat had dropped to \$2.14 a bushel, yet the average price of a loaf of bread had increased to 17½ cents. Thus, while the price of wheat declined 24 percent, the price of bread advanced 27 percent. In 1952, wheat was supported at 90 percent of parity or \$2.20 a bushel and the average price of a loaf of bread was 16 cents. In 1957, with wheat at \$2 a bushel, the average price of a loaf of bread was 18.8 cents. For the wheat in an 18.8-cent loaf of bread, the farmer gets somewhere between 2½ cents and 3 cents.

Not simply in the interest of the farmers of this country, Mr. Chairman, but in the interest of the overall economy of our people, this bill like the housing bill which we passed yesterday should be passed without a dissenting vote.

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

Mr. ALBERT. I yield.

Mr. MORANO. Is it not true that this bill would freeze the price of bread to an unemployed worker in the State of Connecticut?

Mr. ALBERT. I will say to my good friend that this bill will have no more to do with the price of bread than it will with the flowers that bloom in the spring.

Mr. HILL. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, it is quite interesting to have the opportunity for the first time to be the ranking member of the Committee on Agriculture as we consider this freeze legislation. As far as I am concerned this resolution we are now considering seems very radical and, shall I say, to present an impossible proposition that the Committee on Agriculture has not considered 1 single minute. It is directly contrary to the recommendations the President made to us on January 16, 1958. The President's message recommended a wider range, and I am sure all of us, if we were to talk as we really feel, would recommend a wider range; otherwise we are going to freeze farm prices and make it impossible for the farmer to make a cent of profit. Also, it will cause unnecessary future accumulation of surpluses.

Just a word here to corn producers. There is not a single word in this resolution about the acreage of grain sorghums. The Members from Oklahoma

especially know that in that great State there has been developed a grain sorghum that will produce at least 20 to 40 percent more per acre than any type or kind of grain sorghum before planted. In other words, the progress has been tremendous, and this freeze legislation poses a problem to the corn farmers of the United States. That is why I was so anxious to see our committee put an end in time on this resolution. It came over to us open-ended; in other words, it could go on indefinitely. It would set aside provisions of law by ignoring the effect of transitional parity. No one has talked longer or louder than my friends on my right, especially the cotton people, for some type and kind of price control that would slide up and down as the market absolutely demands it shall do, if we are to continue to have a free market.

There is no other product in these United States, in my opinion, that needs more attention than cotton. It appears to me that I shall live to see the day of the destruction of the cotton industry, and I do not like it. There is not a single piece of cotton legislation on the books that Secretary Benson had to carry out or administer that has not been adopted, carried out, and developed by the people and the Congressmen who come from the land of cotton; in other words, it is their program, and in the committee we are listening to Congressmen who say they will go along with this 1-year freeze. It is much better than it was.

Mr. Chairman, during the debate in the other body on this resolution one of the Members made the following statement which I quote from page 4224 of the CONGRESSIONAL RECORD of March 13:

Mr. HOLLAND. Mr. President, it saddens me to see the Senate, which is generally a deliberative body, approach the enactment of so revolutionary a law as is proposed by the pending joint resolution without hearings, without a record, without giving a chance to farm organizations to be heard, without giving a chance to the Department of Agriculture to be heard, without giving anyone else a chance to know what is included in the joint resolution, which was introduced only a few days ago.

Mr. Chairman, every word of that statement applies to this same resolution as we consider it today. Our committee held no hearings, heard no witnesses, and reported this resolution with little or no consideration.

WINTER WHEAT

Mr. Chairman, no matter how well-intentioned the sponsors of this legislation might be, it is, in my opinion, hasty and unwise. To freeze price supports and acreage controls at the 1957 levels at this time will create as many problems as it attempts to solve. Might I draw attention for a moment to one problem that directly affects the great Winter Wheat Belt of the Plains States? According to USDA figures, some 3,900,000 acres of winter wheat land was put into the Soil Bank for 1958. These acres were taken out of production by farmers who balanced their normal acreage against a price of \$1.78 per bushel for wheat, the announced price-support level for 1958 harvest. How many of them

would have done so had they known that the level would be frozen at \$2 per bushel—the level this resolution would establish? By this resolution we are changing the rules near the middle of the crop year for one of our major crops, winter wheat.

PARITY

Mr. Chairman, one facet of this resolution that I would call to the attention of the House is the approach that seeks to freeze supports not at a parity level but on the basis of dollars and cents. For years support prices have been set not in terms of dollars and cents for crops, but in terms of support levels based on the percentage of parity determined in accordance with the existing law. A freeze of supports in terms of dollars and cents can, if allowed to remain in effect, completely destroy the concept of parity.

In an era of constantly changing prices of the things that determine parity, a rigid formula of dollar-and-cents support prices cannot and will not take into consideration any shift in the value a given parity level for any given crop would mean to that crop. For example, a parity level of 75 percent in 1949 for wheat would mean a smaller support price per bushel than the same parity level of 75 percent would mean in support price in 1958. Seventy-five percent of parity in 1949 would have meant a dollar-and-cents support price of \$1.61 per bushel while the same 75 percent support level in 1958 results in a price of \$1.78 per bushel. No one can predict what level of parity \$2 per bushel wheat will reach in 1959 or any future year. This basic change in approach to the long used parity concept is being made without a minute's hearing or an hour's study by the Committee on Agriculture.

Only 19 crops, plus dairy products, are being supported—out of 250 commodities that farmers produce.

More than four-fifths—82.2 percent—of our costs for price stabilization in fiscal 1956 and 1957 were for 4 commodities. Wheat and cotton alone accounted for more than 48 percent of the total cost of our price-stabilization programs.

The fact is that since 1940 the per acre yield of corn has risen 56 percent, wheat 40 percent, cotton 67 percent. Last year's yields of all major crops averaged 27 percent above the 1947-49 level. To control crops effectively so as to maintain price at 90 percent of parity would mean setting allotments impossibly low. Congress would never vote such controls. No Secretary of Agriculture could effectively enforce them. And American farmers just would not stand for such regimentation.

Mr. Chairman, to adopt this resolution is to change the rules in the middle of the game. A game that means bread and butter, clothing and shelter, the very livelihood of millions of farmers. Yet we are asked to make that change without any study. If this Congress is to make the changes that would correct the present situation in agriculture let us make them without delay. If this resolution is adopted there could well be no sense of urgency to pass corrective legislation. I venture to predict that

if this politically inspired legislation is adopted, our job to consider and pass legislation within the Committee on Agriculture will be more difficult than it now is. The progress we have been making on a general farm bill would come to a halt and surely nothing would be gained by this kind of an approach. Let us face the issue and strive with our best efforts to present to this House farm legislation based on reason, sound thinking, and that is economically correct, workable, and worth while.

Index of prices paid by farmers—Real difficulties of the farmers

[1910-14=100]

Item	Average, 1947-49	Jan. 15, 1958	Change
Motor supplies.....	140	172	Up 23 percent.
Motor vehicles.....	290	421	Up 45 percent.
Farm machinery.....	239	358	Up 50 percent.
Farm supplies.....	235	292	Up 24 percent.
Building and fencing.....	296	391	Up 32 percent.
Fertilizer.....	143	152	Up 6 percent.
Average above 6 items.....	221	299	Up 35 percent.
Prices paid, commodities and services, interest, taxes, and wage rates.....	250	301	Up 20 percent.

Average prices received by farmers for farm products—United States, Jan. 15, 1958, and average 1951 compared with income parity-equivalent prices

Commodity	Actual prices		
	Average, 1951	Jan. 15, 1958	Change
Wheat.....	\$2.11	\$1.90	Down 10 percent.
Corn.....	1.66	.931	Down 44 percent.
Barley.....	1.26	.855	Down 32 percent.
Hay, all baled.....	25.60	19.00	Down 26 percent.
Beans, dry edible.....	7.91	7.03	Down 11 percent.
All milk, wholesale.....	4.58	4.13	Down 10 percent.

NOTE.—Freight rates not given but increase should be kept in mind, nearly 75 percent.

Due, in large part, to the fact that the Government imposes no controls on the raising and marketing of livestock, Colorado farmers and ranchers are in an enviable position. This illustrates again that it is the so-called controlled crops which are in the greatest continuing trouble.

Ranchers and farmers in Colorado had more improvement in realized net income per farm from 1956 to 1957 than those in any other State. The increase was 52 percent. Realized net income in Colorado per farm was \$1,838 in 1956 and this rose to \$2,794 in 1957.

Cash receipts from sale of cattle, wheat, dry field beans, sweetpotatoes, and sugar beets were all greater in 1957 than in 1956. This was only partially canceled out by the rise in production expenses resulting chiefly from higher expenditures for livestock and hired labor.

Inventories of hay, wheat, and corn carried over on Colorado farms and ranches at the end of the year also increased substantially, bringing the total net income per farm in 1957 to \$3,536—almost double the 1956 figure of \$1,777.

The decline in number of farms from 1956 to 1957 was smaller percentage-

wise in Colorado than the national average.

[From Longmont (Colo.) Times-Call of March 10, 1958]

COLORADO FARMERS' NET INCOMES LEAD UNITED STATES IN PERCENT INCREASE

WASHINGTON.—Farmers' net income last year increased in 6 Rocky Mountain States and decreased in 2, according to the Agriculture Department.

The mountain area increases over 1956 were among the largest in the Nation, which as a whole suffered a drop in receipts plus an upswing in production expenses.

United States Department of Agriculture's report on the farm income situation said Colorado farmers' net incomes in 1957 soared 52 percent over those in 1956—the biggest percentage increase in the country.

Other reported increases, by percentage, were: Wyoming 24, Nevada 18, Montana 12, Utah 10, and New Mexico 2. Arizona farm income was down 4 percent, Idaho down 6 percent.

The report had these comments on the situation in Colorado: "Cash receipts from cattle, wheat, dry field beans, sweetpotatoes, and sugar beets were up. Higher expenditures for livestock and hired labor contributed to the rise in production expenses. Increases in inventories of hay, wheat, and corn were substantial, resulting in a level of total net income per farm about twice that of 1956."

The family farm has been, is now and always will be, the backbone of American agriculture—operated by the most efficient farmers in all the world.

The size of the family farm is changing, but fortunately for America, there is no weakening of its moral or economic foundations. Today, some 96 percent of our agricultural units are family farms—the same percentage as 30 years ago. And the family farm of today—like the family farm of yesterday and tomorrow—simply means a farm on which most of the labor, capital, and management are supplied by the farmer and his family.

Income per person on farms last year was highest on record—up 2 percent over 1951, the previous high year.

Farm assets are at an alltime high—\$188 billion as of January 1, 1958.

Farmers have less than \$11 in debts for each \$100 of assets. In 1940 the ratio was \$19 for each \$100.

Owner equities rose 7 percent during 1957 to a peak of \$168.4 billion.

Farm ownership is also at a record high. Only 1 in 3 farms has a mortgage.

The postwar downtrend in prices, which started in 1951, has been stopped. Prices received by farmers in February were 8 percent above a year ago and 11 percent above 2 years ago.

The family farm continues to dominate agriculture. Ninety-six percent of our farms and ranches are family operations, about the same as 30 years ago.

The level of living on farms is highest in history.

Farm exports in fiscal 1957 set a new record of \$4.7 billion—68 percent higher than in fiscal 1953.

The surplus production of American farms is being made available for hungry people at home and abroad.

The buildup of surpluses has been reversed. Government investment in surplus farm products owned and under

loan has dropped about one-sixth in the past year and a half.

The inventory value of livestock on farms for January 1, 1958, is \$14.2 billion—higher by \$3 billion than a year ago.

The spiraling inflation of the war years has been almost halted. During the period from 1939 to 1952 the index of prices paid by farmers, including interest, taxes, and wage rates, increased more than 100 percent. From January 1953, when this administration took office, to January 1958, this index rose only 6 percent.

Income from livestock—about 55 percent of all farm income—now in good economic position.

PEOPLE LEAVE THE FARM

Farm population, which totaled 32,161,000 in 1935, dropped to 25,295,000 by 1945, for a 10-year decline of nearly 7 million persons under Roosevelt. Under Truman, farm population moved up to 27,124,000 by 1947 when another sharp downward trend got underway. Approximately 4.5 million farm people left the land during the last 5 years of Truman. By early 1953, when the Eisenhower administration took office, farm population had dropped to 22,679,000.

Farm population in 1957 was 20,400,000, a decline of about 2.3 million during the first 4 years of the Eisenhower administration.

Despite the longtime trend toward fewer and larger farms, the proportion of units classed as family farms is the same as it was 30 years ago.

Mr. CUNNINGHAM of Iowa. In Iowa last year there was a tremendous amount of wet corn produced. The price depressed. My question is, What effect would this resolution have on the price of wet corn?

Mr. HILL. The gentleman knows he has no business producing wet corn, but he could not stop it either. It will have no effect on wet corn, except every farmer who wants to grow corn is "frozen" in where he was last year.

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

Mr. HILL. I yield to the gentleman from Utah.

Mr. DIXON. These farmers who signed up in the Soil Bank in good faith to cooperate with the program understood they would get only \$1.78?

Mr. HILL. That is correct.

Mr. DIXON. If this bill passes, those who did not go in, who did not go along with the program, will get \$2.

Mr. HILL. Of course, you are asking a difficult question there. That is wheat in the ground. I think he would be entitled to \$2; he should be, anyway. According to one of the speakers awhile ago, if the Secretary could euchre him out of it, he would not give him a dime. But, I do not believe that.

Mr. DIXON. Then he would be handicapped and treated unfairly if this goes through.

Mr. HILL. Those that put their land into wheat will get their \$2, but the man, the wheatgrower, who tries to cut down wheat acreage and help the wheat farmer is penalized.

Mr. DIXON. Is there any way that that unfair treatment could be corrected at this time?

Mr. HILL. That is outside of what I wish to say.

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

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

Mr. ARENDS. I would like to ask the gentleman's interpretation as to what the Secretary can do under the present formula, whether or not he can lower or increase price supports.

Mr. HILL. Well, he cannot under this bill, under what you are proposing today. If the President signs this bill, the price will be frozen.

Mr. ARENDS. What I want to know, under the formula of the present law, does not the Secretary have to go up or down under certain criteria?

Mr. HILL. Yes.

Mr. ARENDS. That is the law?

Mr. HILL. Yes.

Mr. ARENDS. Could I ask the chairman of the committee if that is his interpretation of it?

Mr. HILL. That is the understanding that we all have on what we term as a sliding scale for price supports.

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

Mr. HILL. I yield to the gentleman from North Carolina.

Mr. COOLEY. The purpose of this resolution is to prevent the Secretary from further lowering price supports; in other words, under this resolution he can increase price supports, but he cannot lower them below the 1957 level.

Mr. ARENDS. I understand that, but I mean prior to the enactment of this proposal today, is the Secretary required by law to lower or raise the price under a certain formula? Does he have an alternative?

Mr. COOLEY. He is never required, but he must be guided by certain requirements of the law.

Mr. ARENDS. Then you mean that he has no choice in the matter?

Mr. COOLEY. No; he does not have to lower price supports.

Mr. ARENDS. He does not have to abide by what you said was the law; he can either increase or lower?

Mr. COOLEY. He can fix the price between 75 and 90 percent of parity.

Mr. ARENDS. But he does not have to by law raise or lower supports according to a formula?

Mr. COOLEY. He is required to make certain findings, and he is very flexible in making his findings to suit himself.

Mr. HILL. Mr. Chairman, I would like to hear this discussion so that I could be informed, but I want to go ahead with my remarks.

Mr. BUDGE. Mr. Chairman, will the gentleman yield briefly?

Mr. HILL. Just briefly.

Mr. BUDGE. It so happens that in my State the two farm commodities which are yielding the greatest return to the farmer are beef cattle and potatoes, neither of which is under support. I would like to ask the gentleman whether

he feels that the passage of this resolution would tend to place the Government further in the agricultural picture or whether it would tend to remove the Government from the agricultural picture.

Mr. HILL. Well, I will be glad to answer that, and then I would like to finish my statement. However, potatoes are selling extremely high and certainly are not supported—just another indication that all supported crops are not as high as potatoes or livestock.

Here is the difficulty you get into when you freeze. I think every Member of this House is interested in this matter, and we are all striving for the same purpose. Now, every one of us knows that the farmer is in a price squeeze, and we are all willing to work out a program, but when you come up to a situation where you say you are willing to freeze a certain product, I want more farm products in the proper proportion than we have them today if you are going to freeze them.

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

Mr. HILL. I yield to the gentleman.

Mr. COOLEY. The gentleman seems to be so opposed to freezing price supports for 1 year. But the gentleman was very much in favor of freezing wheat acreage at 55 million acres and but for the fact that acreage had been frozen, you would now have 23 million acres instead of 55 million acres.

Mr. HILL. You had the Secretary of Agriculture when I voted for that bill because before I voted for it we were increasing wheat acreage in Colorado.

Mr. COOLEY. But it is a fact that your wheat acreage is now frozen at 55 million acres and all we are trying to do for cotton is to freeze acreage at the same level it was in 1957.

Mr. HILL. You really would have it for 2 years, if you counted this year, would you not?

Mr. COOLEY. No. The acreage is all fixed for 1958. We are just trying to freeze the total acreage for 1 year, 1959; that is all. In the meantime, we will work out some program.

Mr. HILL. I think that is the best part of our whole statement, including the chairman's, that we have on our desk in the House and in our subcommittees a plan to work out our difficulties by bringing to this House an agricultural bill.

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

Mr. HILL. I yield to the gentleman.

Mr. BENTLEY. Mr. Chairman, I would like to ask the gentleman from Colorado how he would regard a vote either for or against Senate Joint Resolution 162—that is, which would be the furthest step in the right direction toward getting the Government completely out of agriculture?

Mr. HILL. Of course, the gentleman makes a radical statement. I would not vote to take all the controls off because the farmer is at our mercy. This Congress has passed all these, shall I say, intricate and difficult regulations and rules in cotton, tobacco, peanuts, rice, and what have you. Now, it would not

be even reasonable to wipe them off at one fell swoop.

Mr. BENTLEY. Assuming the gentleman did want to sweep them off, which way would he counsel gentlemen to vote?

Mr. HILL. I would not vote to take them off, of course not.

Mr. BENTLEY. Which way would the gentleman vote, for or against the resolution?

Mr. HILL. I am against the resolution from first to last.

Mr. BENTLEY. If the gentleman wanted to take the Government completely out of the farm business, which would be the best way?

Mr. HILL. Against the resolution.

Mr. BENTLEY. Against the resolution?

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

Mr. HILL. I yield to the gentleman from Connecticut.

Mr. MORANO. I ask the distinguished gentleman from Colorado, What is the effect of this freeze resolution on the consumer, in the consumer area?

Mr. HILL. I answered the gentleman a while ago. Whatever we do for the farmer, we will probably do nothing for the consumer.

Mr. MORANO. As I understand the gentleman's argument, this resolution does nothing for the farmer. Is that right?

Mr. HILL. I did not mean to leave that impression. I thought I told you it was going to do a lot of evil for him.

Mr. MORANO. The only conclusion is that it will do a lot of evil to the farmer and so do a lot of evil for the consumer, too?

Mr. DEROUNIAN. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DEROUNIAN. Mr. Chairman, I am opposed to Senate Joint Resolution 162, to stay any reduction in support prices or acreage allotments.

Many of those favoring this resolution have said its passage will help the small farmer. Let us see who has been helped.

For cotton, 1954 crop, the Federal Government paid \$1,292,472.25 to the Delta & Pine Land Co., of Scott, Miss. For the 1955 crop, \$769,377.43 to J. G. Adams & Son, of Hughes, Ark.; \$455,650.67 to Lawrence Bros., of Driver, Ark.; \$395,090.11 to Tillar & Co., of Tillar, Ark.; \$971,627.23 to Chandler Co., of Fort Stockton, Tex.; \$667,092.95 to Lowe Bros., of Midland, Tex.; \$571,928.98 to Ivey & McKinney Farms, of Pecos, Tex. For the 1956 crop an increase in this year totaling \$1,446,605.67 to the Delta & Pine Land Co., of Scott, Miss.; \$504,471.20 to Leo A. Fisher, of Parma, Mo.; \$360,979.07 to C. & L. Ranch, of El Paso, Tex.

For rice, the 1955 crop, \$830,662.80 was paid to the South Texas Rice Farms, of Rosharon, Tex. For the 1956 crop, \$353,332.86 was paid to the Louisiana Rice Growers, Inc., of Crowley, La.; and \$294,868.21 to George Smith and tenants, of De Witt, Ark.

And just to be sure no one is left out, one of the payees in 1957 was—of all things—the Mississippi State Penitentiary at Parchman, Miss., which received \$71,000 for reserve acres of cotton.

This is just a sampling of those giant farms receiving astronomical sums from the Federal Government.

Now, when is this gravy train for the big farmer, who is so vocal in his legislative demands, going to stop?

Is it not about time the consumer was given some consideration?

I hope the resolution will be defeated and Secretary Benson's farm program, to benefit all the people of the United States, will be allowed to continue.

Mr. BASS of New Hampshire. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Hampshire?

There was no objection.

Mr. BASS of New Hampshire. Mr. Chairman, I rise in opposition to Senate Joint Resolution 162, to freeze farm price supports and acreage allotments for 1 year at or above 1957 levels. I oppose this measure because it continues and broadens a program of rigid farm price supports, which, since World War II, has proven a tragic and costly failure.

By extending a policy of high price supports—and this program would place mandatory supports on nine new commodities—we are assured for at least 1 more year of a program of soaring farm production, bigger Government-owned surpluses, more costly surplus disposal programs, and pricing our farm products out of the domestic and international markets. Passing this resolution will not solve our farm problem, but only delay the day when the Congress must face facts and get the Government out of the farm business.

There are three questions we should ask ourselves about this resolution:

First, whom does it help? It doesn't help anyone. It won't help the consumer, who will pay higher costs for food.

It certainly won't help workers, who are unemployed or working reduced hours when they have to pay more to eat with their dwindling resources.

It will not help the taxpayer, who will have to carry an additional tax burden to pay the increased farm support costs this resolution will add.

It will not really help the farmer. Rigid price supports destroy farm markets, place greater governmental control over agriculture, depress prices by piling up additional staggering surpluses, and create inefficient and uneconomic farming operations. Rigid high price supports will certainly give very little help to the small farmer, because small farmers and those with low incomes produce only 10 percent of the farm products marketed.

Secondly, we should ask ourselves: Is this truly a temporary program? The supporters of this resolution tell us this measure will last but 1 year. I only remind the House the original price-support program was temporary, and, un-

fortunately, it is still with us, some 16 years later, compounding the problems of farmers and consumers at an ever greater cost. Every temporary Government program I know of always becomes permanent.

And, finally, will this legislation help combat the current recession? Any serious student of the operation of high price supports knows it would have just the reverse effect. To freeze for any period of time any segment of our economy and to destroy its flexibility to react to changing conditions, particularly in a time of recession, would be very damaging to the agricultural economy of this country. And, let us not forget the taxpayers, who in time of recession, with many on reduced incomes, will be asked to put up a greater percentage of their tax money to support farm price supports. And, let us not forget the consumer, who will be required to pay artificially higher prices for food, which these supports inevitably bring.

I urge the House to reject this resolution and the Committee on Agriculture to begin serious consideration and action on a new approach—a positive program designed to solve the farm problem. This new approach, I suggest, should have as its basis the bipartisan recommendations of the Subcommittee on Agricultural Policy to the Joint Economic Committee, published February 10, 1958.

Mr. DAWSON of Utah. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Utah?

There was no objection.

Mr. DAWSON of Utah. Mr. Chairman, for the past 12 months I have heard many Members of this House tell about how badly our farmers are doing. They have said that the farmer was worse off in 1957 than in previous years. I had hoped—in view of their concern—that they would propose a legislative solution.

What have they done instead? They have presented a bill to keep the 1957 program in effect. They tell us at every opportunity that in 1957 the farmer's lot was harder than ever. By urging us to support this legislation, they are in effect urging us to keep a program they have labeled ineffective.

What would this bill do?

Well, it will further destroy the farmers' markets. It will pile up additional surpluses which even now cost the taxpayers \$1 million per day to store. It would greatly increase the cost of other farm programs, a cost already too burdensome. It gives great rewards to the prosperous farmer who needs no help and it gives only token aid to farmers who do need assistance.

Mr. Chairman, one of this bill's major defects is its unfairness. The bill if passed and signed by the President penalizes those who have done the most to cooperate with the Government in the reduction of surpluses. I refer to the winter wheat farmers who already have signed up to participate in the 1958 Soil Bank. These farmers came to that de-

cision based upon a \$1.78 per bushel announced support price payment. On this basis they decided to participate in the Soil Bank. Now supporters of this legislation are asking us to change the rules. This measure would increase the support level to \$2 per bushel. But it is too late for those who entered the Soil Bank to change their minds. What could be more unfair than that?

President Eisenhower through Secretary Benson has put forward a program that will really help the farmer. This program will take him out of the Government straitjacket and expand his markets both here and abroad. It also provides special help directed to the small farmer who needs it. That is the program we should be debating today.

Instead, we are asked to continue the status quo and we are asked to do this by those who are the greatest critics of the present farm situation. Some farmers were sick during 1957. A continuation of the same program can only make them sicker.

Certainly, the farmer now will know who to blame if his economic situation does not improve. He knows that this is not Secretary Benson's program and he also knows that firing Secretary Benson does not raise the price of wheat or lower the price of tractors one iota.

This measure should be overwhelmingly defeated.

Mr. HILL. Mr. Chairman, I yield 5 minutes to the gentleman from Indiana [Mr. HARVEY].

Mr. HARVEY. Mr. Chairman, it is with reluctance that I must oppose Senate Joint Resolution 162, for agriculture surely needs help and time is running out for the dairyman especially. Last year, we witnessed the unfortunate exhibition of the various segments of agriculture engaged in hara-kiri on the floor of this House. Members from nonfarm districts said in essence "a curse on both your houses" and joined in scuttling much needed legislation.

When we returned less than 90 days ago for the second session, there seemed to be a different spirit prevailing, a willingness to forgo recrimination and work together for the betterment of the farmer. Much progress has been made along constructive lines. There was an agreement within the committee that we would work for an omnibus bill which we would take to the floor of the House and support with unanimity.

Now, what has happened? Suddenly without any hearings and in a complete breach of faith we have this so-called quick-freeze bill before us. About the only valid argument offered for its serious consideration has been the urgency of the dairy price support deadline of April 1.

Now I am sympathetic with the plight of the dairymen but believe in this instance they are being "used". I suggested to the leadership on our committee on both sides that if they thought we could not get an omnibus bill out before the April 1 deadline, then we could give a 30 or 60 days' extension to this expiration date and by that time could reasonably expect to have the omnibus bill ready for the President's signature.

About everyone agrees that the proper consideration of and action on a long-range constructive program for agriculture is overdue. For too long, we have been cobbling along with inadequate and outmoded devices that suit not the producer or the consumer. A quick freeze gimmick such as Senate Joint Resolution 162 will not ever become a law in my judgment but it is going to further strain the tolerance of our colleagues and alienate them from fair consideration of good proposals when offered.

My policy has been and will continue to that of willingness to work on a constructive basis with all who are interested; I cannot vote my approval for a proposal which will ultimately do much more harm than good even if we were to concede that it would become a law.

In conclusion, it has also been my belief that each segment of our farm economy should have the right within reasonable bounds to determine the kind of a program it believes best suited to its own needs—for example, if the dairymen want a self-help type of program and can agree on one, I would be willing to help them get it. We of the Corn Belt are stuck with a wholly unrealistic program which we wish to repeal; we want to inaugurate a whole new approach, and if the livestock industry is to be salvaged it must be done. We have such a proposal almost ready to present but along comes this gimmick which will continue our present program and preclude enactment of the proper one. This is a gloomy day for those of us who are really devoted to the well-being of agriculture.

Mr. COOLEY. Mr. Chairman, I yield 5 minutes to the gentleman from Mississippi [Mr. ABERNETHY], chairman of the Dairy Subcommittee.

Mr. ABERNETHY. Mr. Chairman and members of the Committee, since the distinguished ranking minority member of our committee, the gentleman from Colorado [Mr. HILL], made mention of the fact that this was his first appearance here in ascending to that capacity, I would like to say, Mr. Chairman, that since I became a member of the Committee on Agriculture, it has been my pleasure to serve with 3 such ranking members from the Republican side. The immediate predecessor of the gentleman from Colorado [Mr. HILL], was our late colleague, August H. Andresen. We all know he left a very fine record in the House of Representatives, particularly for his efforts in behalf of the dairy farmers. He rendered most valuable service which will long be remembered. Immediately preceding him was the lovable Cliff Hope who after a long and successful career in the Congress retired to his home in Garden City, Kans. The honor and distinction of holding this important position has now descended to our friend from Colorado.

I have said it privately and I would like to now say for the record that a finer man never served on our committee than BILL HILL. He has rendered excellent service to agriculture and to the Nation as a whole. It is a genuine pleasure to serve with a man of his

character and ability and I am confident that as the leader of the minority members of the committee he will make a great contribution to the Nation's farmers.

He has already made a great contribution in building a better spirit of cooperation in our committee. I believe the committee is going to render a real service to agriculture this year.

Now, Mr. Chairman, I would not want our colleague to think that because I am saying these nice things about the gentleman from Colorado [Mr. HILL] that I agree with his position on this bill. I do not, however, question his sincerity.

Agriculture is in a very serious condition; it is in a declining economy and has been for 6 or 7 years. It is a seriously declining economy and there just seems to be no end to it. Not only is agriculture in that condition, but the whole country now seems to be plagued with such. As a result of that situation numerous programs have been recommended to the Congress by the President and by the Democratic leaders of the Congress in order to firm up business and industry and the country in general. However, until now, not a single recommendation has been submitted from either the executive or the legislative branch of our Government to do anything to check the decline in agriculture except the bill now before us. I do not believe that the Congress is going to leave agriculture untreated and in such a perilous condition while we express alarm and consider curative measures for all other segments of the Nation's economy.

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

Mr. ABERNETHY. I yield.

Mr. DIXON. Does the gentleman not recall the extension of Public Law 480?

Mr. ABERNETHY. Yes, I agree with the gentleman that we have Public Law 480, but it is nothing new and was not offered as a means of checking the current loss of farm income.

Mr. DIXON. Also—

Mr. ABERNETHY. Now, I cannot yield further; I have only 5 minutes.

I agree with the gentleman that we have given Mr. Benson Public Law 480. We have also given him everything else he has sought, reluctantly in some instances and without my vote in others. But the facts are that he has over his long period of service as Secretary of Agriculture received everything he has sought to carry out the campaign promise of his party to give farmers parity at the market place. His recommendations have not fulfilled the promise. Neither has his service. Until now, it has been an utter failure. There is one thing he has not been given. It is his most recent request to permit him to drop price supports to 60 percent of parity and make him lord and master over the destinies of all farmers. I do not believe the Congress will ever yield him or any other man such broad power and authority. The most conservative of the farmer organizations and the one which has supported him the most, the American Farm Bureau, is opposed to giving him that power. He stands alone and without support on this request.

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

Mr. ABERNETHY. I yield to my distinguished chairman.

Mr. COOLEY. We have not yet extended Public Law 480; it has been pending before our committee and it will be considered very shortly.

Mr. DIXON. That was proposed by the President; also our utilization research measure.

Mr. ABERNETHY. There is nothing new about either of these proposals. They are old stuff. Farmers are in an extreme emergency now and I repeat that the administration has come forward with pump-priming programs for everything except agriculture. So far as the administration is concerned the declining farm income, the agricultural depression, stands unnoticed by the leaders of this administration.

Mr. DIXON. Also—

Mr. ABERNETHY. I cannot yield further. The gentleman is a very fine Member of this House and I would not want to be rude to him, but I cannot yield further.

We do not bring this bill to you as a cure-all of agriculture's ills. But we do say that we must hold the line, maintain the status quo and not permit a further decline. That is what our bill will do. We are only asking that you take the Secretary's program, his own price support levels, his own acreage allotments as applicable to the last crops and make them applicable to the next crops for the next year only.

If this bill is not passed, what will it mean? It means that agriculture must suffer a further decline, a further bleeding of its already limp body. It does not require Mr. Benson to raise prices over last year, not a dime; but it does say to him that he must peg prices and acreages at levels at least equal to the last pegging. It does not freeze either acreages or prices. The character of flexibility is left in the law, with current supports and acreages being fixed as the floor.

By the enactment of this bill we will be saying that we are not going to permit our farmers to have to take less this year than they took last year; that is all there is to it. It is just that simple. The objective is reasonable.

My assignment in this matter as chairman of the Dairy Subcommittee was to see to it that the dairy farmer did not have to take less this year than he took last year; that is all. There were 25 or 30 bills introduced and referred to my subcommittee which would either freeze or raise dairy price supports. Many of them were introduced by Republican Members, one by the gentleman from Michigan [Mr. BENTLEY], as I recall, who indicated a moment ago that he was against the pending bill which carries out his objective. All those bills provided that the farmers should not have to take less than they took last year. I believe the gentleman's bill provided that they should receive a little more, did it not?

Mr. BENTLEY. I appeared before the committee and testified in support of the legislation but I did not personally introduce a bill.

Mr. ABERNETHY. Oh, all right. Then I stand corrected. But the gentlemen did seek time before the committee, made an appearance and testified in support of bills which would raise milk support from the current rate of \$3.25 per hundred to \$3.50 per hundred.

Mr. BENTLEY. I did not.

Mr. ABERNETHY. Well, the gentlemen has just said that he testified in support of the legislation so, to say the least, he favored the idea of holding the line and preventing Mr. Benson from breaking the price on April 1 under the current rate of \$3.25. So, the pending bill is exactly in keeping with his position before our subcommittee and I would anticipate that he will stand pat. That is what the gentleman committed himself to before the committee. As I said, many bills were introduced to hold the line. The gentleman from Wisconsin [Mr. LAIRD] introduced one of the bills, the gentleman from Washington [Mr. WESTLAND] introduced one, the gentleman from Iowa [Mr. TALLE], the gentleman from New York [Mr. WILLIAMS], the gentleman from Missouri [Mr. BROWN], the gentleman from New York [Mr. WHARTON], the gentleman from New York [Mrs. ST. GEORGE], the gentleman from South Dakota [Mr. MCGOVERN], the gentleman from Kansas [Mr. REES] also introduced bills. The list is very long. I do not have them all before me.

Also the gentleman from Iowa [Mr. GROSS], the gentleman from Mississippi [Mr. WHITTEN], the gentleman from Mississippi [Mr. WINSTEAD], the gentleman from Washington [Mr. TOLLEFSON], the gentleman from Wisconsin [Mr. JOHNSON] who introduced the first bill and first conceived the idea of holding the line.

We are here now endeavoring to accommodate all of these Members. We just hope they will all pitch in, get in the fight and give us their full cooperation in fighting down the vigorous effort that will be made by the leadership on the Republican side to kill the bill. We are going to do our best to do exactly what all of the authors of the various bills want done and we will surely accomplish the desired result if all of them will help us.

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

Mr. ABERNETHY. I yield to the gentleman.

Mr. LAIRD. I have been receiving a lot of wires and correspondence from my dairy farmers in Wisconsin who seem to think we are putting the stamp of approval on \$3.25 for \$3.95 milk. There were quite a few complaints last year about that price.

Mr. ABERNETHY. There probably was, and Mr. Benson could have remedied that situation if he had only fixed the price at that level. I am sure the best we can do now is hold the line; and I am also sure that your farmers do not want \$3.02 milk which the Secretary's order will give them if permitted to go into effect on the first of next month.

Mr. LAIRD. I can assure the gentleman they will not want that.

Mr. ABERNETHY. I know they do not and we are fighting the battle now to prevent your farmers from having to take that price. We appreciate the help which the gentleman is giving us.

I sincerely urge upon all Members of the House that they support this bill and help us put a stop to the farm price decline. Help us, if you please, to hold the line.

Mr. HILL. Mr. Chairman, I yield 5 minutes to the gentleman from Maine [Mr. McINTIRE].

Mr. McINTIRE. Mr. Chairman, I rise in opposition to this resolution now pending. I voted against it in committee and I shall vote against it here in the House.

It has been a great pleasure to me to work as a member of the House Committee on Agriculture; and, while I do not represent an area which is involved in the production of the so-called basic commodities, nevertheless we folks in New England are interested in agriculture and have a great deal at stake in agriculture. I appreciate that involved in this legislation is price-support level concerning dairying. However, this is a package bill and it involves other things, including feed grains.

I am not opposed to efforts on the part of the Government to effect some price stability as far as farm commodities are concerned. I have the pleasure of serving on the Tobacco Subcommittee of the Committee on Agriculture with the gentleman from Kentucky [Mr. WATTS], who was chairman of the subcommittee. He would testify, I am sure, that he would say I have worked with him in efforts toward a sound program for tobacco producers.

I approach the problem of agricultural legislation on the philosophy of trying to get the very best program that we can for each commodity involved. Within the framework of that philosophy, I find this resolution in complete contradiction to that position and in contradiction to the position taken by practically every Member of this House who has voted on farm legislation.

Those who have supported the principle of high-level supports or 90 percent have said repeatedly that they are in favor of those levels of support only because they are also in favor of the necessary production controls in order to make the program work. A vote for this legislation today is in contradiction of that position.

Those of us who have voted for variable support levels on commodities where there are mandatory supports, have said that we want to accept the principle that price supports will be varied somewhat up and down in relation to supply and demand factors. So, a vote for this resolution today is in direct contradiction to the position that we have taken.

I suppose that there are often times in which consistency is no virtue, and certainly a vote for this resolution today is proof of that fact. A vote for it will be inconsistent to a position taken by practically every one of us on previous farm legislation.

It has been mentioned that this resolution prevents jerking the floor out

from under farm commodities. It does no such thing, as I see it, because there is no provision in this resolution to change existing law. We all know that existing law provides a very fixed range in which the Secretary can apply price supports on the basics. This resolution freezes the level of price on those where the Secretary has some discretion and where there are no vehicles of acreage management. I think all of those folks who come from nonfarm areas have been sincerely interested in price support legislation which is sound for the American farmer and equally equitable for the American consumer. In my opinion, this legislation does not meet that criterion. The farmers must go to the market with the quality and quantity of farm products necessary for our desirable high standard of living. This resolution is not sound farm legislation.

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

Mr. McINTIRE. I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. Mr. Chairman, I should like to commend the gentleman for his statement. I wish to state my own opposition to this resolution.

Mr. Chairman, the lack of wisdom in the provisions of this resolution would be obvious to any but the most blind adherents of rigid price supports. The adverse effects of passing such a resolution are obvious and far-reaching. One of the most serious problems in the field of agriculture is the tremendous surplus of commodities which overhangs the market. By stimulating unneeded production these surpluses will continue to grow.

As the gentleman from Maine has just said, consistency may not always be a virtue. Nonetheless we should refuse to take any serious retrogressive step without good reason. Passage of this resolution would be such a step. In addition we would be ignoring completely the sound recommendations recently made by President Eisenhower regarding appropriate legislative action.

Too often in discussions of the farm problem, and what needs to be done, we overlook the consumer—and also the taxpayer. This resolution would affect both these groups directly and most adversely. Indeed it would hurt farmers also throughout the Nation, by delaying still longer the day when production and consumption can be brought into reasonable balance. Any resolution such as this, which harms many and which helps few if any, should be defeated.

Mr. POAGE. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. ANFUSO].

Mr. ANFUSO. Mr. Chairman, I rise in support of this legislation because it helps the farmers and does not—and I want to make this crystal clear—does not hurt the consumers. The Consumers Study Subcommittee, of which I have the honor of being chairman, in its report of 1957 stated that farm prices have declined 16 percent since 1952 while retail food prices have increased 1.3 percent. In other words, while farmers kept getting less and less for their prod-

uct, the consumer kept paying a higher price. This is true of bread and is particularly true in the milk industry.

Let me prove this point. In 1952 milk was supported at 90 percent of parity and the average price of milk in grocery stores was 22.8 cents. In 1957, with the support reduced to 83 percent of parity, the retail price of milk had risen to 24.3 cents.

Now, who made the profits? It is obvious that the big milk companies did, and my subcommittee is making an investigation of the situation which permits farm income to go down and the consumer's price to go up, with big profits going to the big fellows.

According to our studies, the profits of the big three dairy companies, Borden's, National Dairy, and Beatrice Foods, have gone up 55 percent since 1952. The situation is best brought out by what has happened in my State of New York. Last fall I made a tour of the State and found that the farmers' plight in New York State was very serious. Everybody was complaining. The farmers were complaining that they were not getting enough, and the consumers were complaining that they were paying too much. This bill will help the farmers of New York State. It will help all of the farmers to the tune of \$250 million and not hurt the consumers at all.

Now, I would like to read to you some telegrams and letters which I have received. First of all I have a telegram here from the chairman of the great Democratic Party of New York State, Mr. Michael Pendergast, who is a farmer himself from upstate New York who states that farmers in New York have expressed strong support for freezing farm price supports at 1957 levels.

I have telegrams and letters here from Republicans upstate who want this bill passed. All the milk farmers I have talked with want this bill passed.

Now speaking generally on this bill, let me point out that in 1957 farm income sunk to a new low of \$641. This caused almost 2 million—1.8 million to be exact—people to leave the farms in 1 single year.

This has contributed to the unemployment situation because there are not that many city jobs to go around.

Finally, Mr. Chairman, I want to say this in all earnestness. I do not dislike Secretary Benson. As a matter of fact I like and respect him. He is a very pious and religious man, a man of convictions who would not intentionally hurt the farmer or the consumer. He could be mistaken and in this case I believe he is, but he is not the devil that some people, on both sides of the aisle, paint him to be.

We will come out of this recession and we will reduce the surpluses. Another thing our committee hopes to bring out this year is a food stamp by which we hope to distribute an additional billion dollars worth of surpluses through the States in distress areas to help the unemployment situation.

This is not a permanent measure we are adopting here but a temporary one. It will help the farmers. It will stop them from losing more money in the midst of a depression, and in the long

run it will help America and the consumers.

This recession did not just start. It started four years ago with the farmers, and it is now hitting the towns and the cities because the purchasing power of the farmers, our best consumers, has been destroyed.

Mr. Chairman, you cannot ruin one segment of our population and expect to get prosperity in the other. This is the time when we must all help each other if this country is to prosper again.

For this reason I must appeal to the city people who have always been most magnanimous, to hold the line and not worsen the condition of our farmer friends.

Mr. BASS of New Hampshire. Mr. Chairman, will the gentleman yield?

Mr. ANFUSO. I yield to the gentleman.

Mr. BASS of New Hampshire. The gentleman represents a city district. Will the gentleman please tell me how this bill will help in any way the consumer and the unemployed person in his district, when he goes to buy his food?

Mr. ANFUSO. That is the most simple question I have had asked of me. I have been on this committee for the past 3 years. I studied farm legislation before that. Our committee has found that in the 10 years that farmers' income has gone down, not once did we consumers get any benefit from that.

Mr. BASS of New Hampshire. The gentleman has not answered my question.

Mr. ANFUSO. And, therefore, I do not intend to hurt the farmer in this legislation when I know positively that we consumers are not going to benefit by it. We are not going to be hurt by this temporary measure, and that is all it is, because we are going to come up with perfecting legislation within the year.

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

Mr. ANFUSO. I yield.

Mr. MATTHEWS. Mr. Chairman, I want to congratulate the gentleman on the wonderful statement he is making. I should like to ask, is it not true because of Public Law 480 in which the gentleman is very much interested, literally thousands of the unemployed people can be fed?

Mr. ANFUSO. That is exactly right.

Mr. MATTHEWS. It is a wonderful program in which the gentleman is very much interested.

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

Mr. ANFUSO. I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. It is hard to follow the gentleman's logic. I just wonder whether he or the consumers whom he represents in Congress have reason to support a resolution of this kind. I also should like to know if he is going to answer the question posed by the gentleman from New Hampshire.

Mr. ANFUSO. I do not represent any farmers. All I represent is consumers. Of course I am vitally interested in the consumer. This joint resolution will help the consumer by increasing the purchasing power of the farmer. Later on

I intend to bring out legislation which will be of further benefit to the consumers.

Mr. COOLEY. Mr. Chairman, I yield such time as she may desire to the gentlewoman from Minnesota [Mrs. KNUTSON].

Mrs. KNUTSON. Mr. Chairman, I rise to join those who have our national economy's interest at heart, to urge immediate affirmative action on this most important stopgap legislation, Senate Joint Resolution 162.

Yesterday I received a telegram from a farmer in my district with the stark warning:

Farm income is so low compared to costs it will be impossible for farmers to exist if price supports are dropped.

This, in few words, is the crux of our situation. We, who have foreseen the recession spreading from the root evil of the farm depression, have been voices crying in the wilderness ever since the administration's unrealistic and unsympathetic farm policies first went into action back in 1953. The situation is too dangerous to stop and take credit for simple, elementary ability to add 2 and 2 and get 4, economically speaking. The momentum of this tragic economic downrush must be slowed before it can be stopped and only measures such as Senate Joint Resolution 162 are powerful enough to accomplish this recession slowdown.

On February 22, Saturday, Washington's Birthday, I sent a letter to the President which I had received from a constituent. My correspondent had suggested that the entire community might benefit from a form of public works. He said it would provide work "for the many jobless here in our community and these poor farmers here would gladly get out and cut brush to help pay for groceries, etc. In turn it would help to get some money circulating which would help these small town businessmen. Believe me, they are just hanging on."

In a later press release, I said "The use of stopgap projects might slow down the progress of this depression and would at least give these people some earnings until permanent solutions are introduced. The administration seems to be newly aware that its tight-money, high-interest policies are feeding rather than fighting the inflationary pressures. In light of this new understanding of the economic facts of life, it is possible that the administration might also be receptive to suggestions of simple and reasonable stopgap measures to help people during the present depression which has resulted from its own policies. Who knows, the administration might even come to understand how disastrous its farm policies have been as well? Is it too much to hope that the administration could admit that these farm policies have been just as wrong-headed, now that they have found their mistaken credit policies, among others, have pushed our national economy to the brink of a major depression?"

Mr. Chairman, I have been asking myself—and all those who will listen to me—"What will be the end result of this current depression?" The reason why

I have been doing this is that I have recently received information from two major executive departments. A March 11, 1958, release of the Department of Commerce brought out that, as of mid-February of this year, 5,200,000 Americans were unemployed out of a total labor force of 69,804,000. Any logical projection of these mid-February figures to mid-March would have it that more than 6 million Americans are now without jobs.

On March 14, 1958, I learned from the Department of Defense that the overall military numerical strength of this country consists of 2,614,003 men. It appears, therefore, that some 6 million unemployed and some 2,600,000 under arms—a total of more than 8,600,000 Americans who are not making direct contributions to our gross national product.

In a speech on the floor of the House on March 13, I referred to Decline and Fall of the Roman Empire, by Edward Gibbon. I did this to point up the need for bolstering the family farm as a means to prevent the downhill plunge of our economic toboggan—a toboggan which, at that time, was virtually without breaks.

At the risk of earning a reputation as a "Johnny-One-Note" Member, I again refer to Gibbon's monumental work. This time to a significant sentence in chapter V:

It has been calculated—

Wrote the 18th century British historian—

by the ablest politicians that no state, without being soon exhausted, can maintain above the hundredth part of its members in arms and idleness.

Some 6 percent of all Americans are unemployed. Some 2 percent plus are in the Armed Forces. This is well over the danger mark set by Gibbon.

Mr. Chairman, what more proof does the administration need that its farm policies—and much worse—the Secretary's price-support cut proposals, and the President's latest farm-policy fallacies, are disastrous, not only for our family farmers, but also for our entire national economy. Russia is breathlessly waiting for this country to go completely broke. Do we have to have 10 million people out of work? Six million people out of work means at least 18 million are in the depression all the way. The tradesmen who supply the food, clothing, and other necessities for these 18 million are in the depression all the way. The suppliers who supply the tradesmen who sell to the 18 million are in the depression all the way. Need I go on? A friend of mine is in the typewriter business which is away down the line from the farmer in the forefront of this depression. My friend tells me the typewriter business is in the depression all the way.

Mr. Chairman, what proof is the administration waiting for? How can we reach the President in the White House, except by putting before him for his signature, this Senate Joint Resolution 162? Again, I urge immediate dispatch of this legislation to the White House for signature.

Mr. COOLEY. Mr. Chairman, I yield such time as he may desire to the gentleman from Alabama [Mr. ELLIOTT].

Mr. ELLIOTT. Mr. Chairman, I support Senate Joint Resolution 162 which has for its purpose staying any reduction in support prices or acreage allotments until Congress can have time to work its will on the price-support and acreage-allotment laws.

The House Committee on Agriculture is now considering, as I understand it, a general agricultural law, which will, I am sure, deal with the questions of price-support and acreage-allotment laws.

All that the joint resolution now before us does is to make certain that Secretary of Agriculture Benson will not further reduce support prices or acreage allotments until the Committee on Agriculture has completed its work.

The depression of the 1930's is vividly stamped upon my memory. I saw its devastating effects, Mr. Chairman, on millions of American citizens. I felt the pinch of want, and the sting of despair that accompanied it throughout our land. I do not want this generation to experience a depression.

I recollect all too well that the depression of the 1930's started on the farms of America in the 1920's. The cries of farm people for relief swept into Washington from the Midwest. They came up from the South. Their voices were not heard. We saw that farm-born depression grow into the greatest economic upheaval of this generation.

Those in this Government who attempt to explain the present farm depression say that the farmer is doing better than he has done before. Truth is that were it not for some off-farm employment, the plight of the American farmer today would be greater than at any time since the early 1930's.

Other segments of the economy have built-in aids. There are loans for businessmen; up until a short time ago, there were tax writeoffs; there is the minimum wage; there are many others. The farmer must have some protection.

The philosophy of this administration to close out the small farmer, to plow him under, if you will, is based upon a false premise. Hundreds of thousands of small farmers in America want to continue to farm. Their roots are deep in the soil. For generations their folks have farmed. I am much interested in seeing that they continue to have an opportunity to farm and to earn a reasonable living while doing so.

What happens to a small farmer when he is driven from the farm? Where is he going to get a job? The figures show that unemployment is growing altogether too fast these days. It is already reaching alarming proportions. Committees and groups are making their way to Washington to confer with Members of Congress and with officials of the Government to give their suggestions as to what we could do to stop the growth of unemployment.

With all of this as a background, surely it is fair to the great farm segment of our population that we simply stay any reduction in support prices or acreage allotments until Congress can work its will on an agriculture bill. If no bill is

forthcoming, then our farmers can rest assured that in the crop year 1958 the price supports of their farm commodities will not be cut and in the year 1959 their acreage allotments will not be cut. Such action is in keeping with other efforts which the Congress is making to fight this recession.

I hope the House will by large majority approve this bill.

Mr. HILL. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. TEAGUE].

Mr. TEAGUE of California. Mr. Chairman, I want it made a matter of record that I am one of the members on the Committee on Agriculture who voted against the resolution. I shall vote against it this afternoon.

I represent one of the largest agricultural districts in the United States of America. I consider this resolution to be bad for the farmers, for the consumers, and for the taxpayers, for the reasons which the gentleman from Maine [Mr. MCINTYRE] so clearly stated a few moments ago.

Mr. COOLEY. Mr. Chairman, I yield such time as he may desire to the gentleman from Alabama [Mr. ROBERTS].

Mr. ROBERTS. Mr. Chairman, I rise in support of the resolution to provide that acreage allotments and price supports cannot be lower than those in effect in 1957. This is a vital matter and it strikes to the very heart of the drive we are now waging to fight back economic recession. I believe that history will bear me out when I state that depressed farm conditions are the forerunner of overall depression.

Congress is eminently correct in taking the initiative in fighting for the farmer. The administration and the Secretary of Agriculture have unquestionably demonstrated their indifference to the problem. The Eisenhower-Benson policy of sliding pledges encompasses a 1952 campaign promise of sustaining the 90 percent parity price support and it includes Secretary Benson's statement before the House Committee on Agriculture that he favors a price-support plan ranging from 90 percent down to no support at all. Most recently, President Eisenhower has urged that farm price supports be reduced to 60 percent.

Furthermore, Secretary Benson and President Eisenhower blithely have refused to acknowledge that their proposed reductions in acreage allotments will further complicate the farmer's woes. For instance, the proposed cotton acreage reduction will endanger an adequate supply of high quality United States cotton for domestic use and result in further loss of our foreign markets. Expert sources estimate we will fall short by 4½ million bales of fulfilling 1958 requirements for this cotton.

It is evident that Congress must be the one to hold the line for the farmers, to help maintain and increase their purchasing power during this time of economic crisis. If this is accomplished, the result will be felt in circles concentric to the farmer. The fertilizer people, the ginners, the seed people, the steel manufacturer, the railroads, all those people who supply and service the farm will feel the effects of our efforts

if we are successful in preventing the reduction of support prices for farm commodities this year or the lowering of planting allotments for any crops next year.

We have given, and correctly so, our attention to unemployment in other fields. And yet there is question whether we should step in to stem the tide of unemployment on the farm. In the Fourth Alabama Congressional District, which I am proud to serve, we lost a third of our farmers during the past quarter century. In 1930, our district had 152,157 people living on about 29,000 farms; in 1955, our farm population was 100,000 with about 18,000 farms. And what happens to the thousands of farmers leaving the land? They have—or right now, in all too many cases—they are looking for other jobs, adding to the critical employment situation.

Let us not add to the existing crisis by driving farmers from the farm by reducing their livelihood. Let us press to see that the antirecession fight is waged at the farm level.

Mr. HILL. Mr. Chairman, I yield 3 minutes to the gentleman from Utah [Mr. DIXON].

Mr. DIXON. Mr. Chairman, this resolution, in my opinion, is not a farm bill; it is a quick maneuver. Unfortunately, many fine statesmen on both sides of the aisle are going to vote for it because they are boxed in. They have no alternative. I wish that our committee could have taken a little more time and heard the committee reports, because I believe then we would have come out with something basic.

This measure is supposed to be the easy way out. We have been taking the easy way too many times and we find that the easy way is the hard way in the long run. Long staple cotton, for example, is finding that the easy way is the hard way. The very day we voted this resolution out, we had another resolution before the committee to reduce supports on long staple cotton down to 60 percent—60 percent. They do not want their crop priced out of the market. They would far rather get out of Government control.

The committee quickly withdrew H. R. 11399 because it did not want to blow hot and cold at the same breath, to freeze price support prices in one bill (S. Res. 162) and then turn around and lower price supports on long staple cotton to 60 percent in the other.

Why do they want that? Because long staple people find they can do better by going clear down to 60 percent and being able to compete on the market and sell their cotton. That is as true as I stand here.

Why does the committee take tobacco out of this freeze? Because, like the long staple cotton people, they do not want it frozen; they want free acreage and free prices.

Those two things are all the evidence we need to show how phony this bill really is.

Yes, the idea was that the commodities that are not under the freeze order and under high support prices are those commodities that are doing fine, and the commodities that are getting the most

Federal money are in the worst trouble. What are they? Wheat and cotton; and those two account, of course, for \$1,316 million of losses this last year. Those two commodities account for 48 percent of the losses of our support program, and they are in the worst trouble. Cattle receive no supports, yet they are selling at 5-year high. Hog growers receive no supports, yet prices are 20 to 22 cents. Rigid supports nearly ruined the potato industry. The industry is having one of its best years in history now that it has shaken off Government shackles.

Instead of giving \$350 million to help the two-fifths of the farmers in America, the large ones who are best off, it should be given to the 50 percent who produce only 9 percent of the commodities and would be helped very little by Senate Resolution 162. This is a case where the Swiss cheese has all the ventilation but the limburger needs it. This will not help much where its advocates assume it will help most. We ought to give this \$350 million to the gentleman from New York [Mr. ANFUSO], for his food stamp plan; that would really help the people who need it. It would provide the unemployed with food. They would eat up the price-depressing surpluses and save the farmers' markets. Senate Resolution 162 would ruin further these markets and put him in still worse position.

Mr. COOLEY. Mr. Chairman, I yield 4 minutes to the gentleman from Wisconsin [Mr. JOHNSON].

Mr. JOHNSON. Mr. Chairman, I support Senate Resolution 162 as amended to stay any reduction in support prices or acreage allotments for a year so that Congress can make appropriate changes in the price support and acreage allotment laws.

Because of the importance of this legislation to the economy of the State of Wisconsin and to other dairy States I am anxious to make known my support. I also wish to call to the attention of my colleagues from city areas figures which indicate that administration promises of price reductions in milk if the proposed April 1 cut in dairy supports is put into effect probably will not be fulfilled for long if they take place at all.

Frankly I am not happy to be placed in the rather negative position of being against something. I would much rather be here in support of legislation which would be of positive value to farmers and other citizens. It is pretty difficult for a Representative from a farm district who has always believed in full parity for farmers, and still does, to be actively engaged in defense of a fraction of full parity. Yet it is an accurate if sad reflection on the state of affairs of the Nation's farmers today to report that fighting for 82½ percent of parity for milk with an administration that has asked for power to lower it to 60 percent of parity is the only realistic approach.

As farm prices have been progressively battered down from year to year, food chains and processors have fared better and better.

Late last year the Secretary of Agriculture announced plans to cut dairy price supports to 75 percent of parity and it has been estimated that the cut will reduce dairy farm incomes by from

\$200 million to \$250 million. In my own State of Wisconsin the cut would take from \$40 million to \$48 million in income from dairy farmers. Also, it is estimated that this cut which will cost the dairy farmers \$250 million might save the Commodity Credit Corporation about \$15 million in money expended for purchases of dairy products. I know of no easier way to get \$250 million in purchasing power than by spending this extra \$15 million to raise the income of our dairy farmers.

While the Nation's dairy farmers have been engaged in a desperate struggle to hold the line against that cut, the value of shares of stock in dairy products processing firms has increased by 20.4 percent, according to the U. S. News & World Report for March 21, 1958.

Similar increases in stock value between late 1957 and mid-March 1958 were reported for other food processors and chains as follows by that magazine: Meat packing, 22.6 percent; biscuit bakers, 22.3 percent; food chains, 21.8 percent; and packaged foods, 21.7 percent.

The magazine explains this popularity of processors' stock by reporting:

In recessions, food companies fare better than most other industries because food budgets are the last to suffer when family incomes shrink.

The Agriculture Department supports its proposed dairy slash with an appeal to the consumer intimating that lower prices will result. I believe that reduction in prices to consumers and in the total production of milk will not accrue and be maintained if the proposed cut goes into effect.

I also strongly believe that the reduction of farmer purchasing power such a cut would bring would be a further crippling blow to dairy farmers and the rural communities and urban industries which rely upon their trade.

If the Secretary of Agriculture would take a close look at the figures from his own Department he would discover that history does not bear out the supposition that reduced retail prices for fluid milk will result from a reduction in manufacturing milk and butterfat price support levels.

If he had checked, he would have found out that when he reduced the support level from 90 percent to 75 percent of parity in April 1954, the retail price in that month was 22.5 cents per quart, as compared to 23.3 cents for the March preceding and to note that this reduction was largely seasonal. By December 1954, retail prices had climbed to 23.4 cents per quart, higher than they were before the 59 cents per hundredweight reduction was made in support prices.

No changes were made in support prices until they were raised to \$3.25 per hundredweight on April 1, 1956, an increase of 10 cents per hundredweight. During 1955, when price supports were unchanged, retail prices averaged 23.1 cents per quart, one-tenth cent higher than the preceding year. In 1956, retail prices averaged 24.1 cents per quart—a cent higher—or roughly 46 cents per hundredweight higher, with only a 10-cent increase per hundred-

weight in the support price for 9 months of the year. During 1957, retail prices averaged about 24.5 cents per quart, with no change in price supports. Thus we see that changes in price support levels for manufacturing milk are not automatically followed by like changes in the retail price of milk in the cities.

As far as the reduction in manufacturing milk and butterfat support levels announced for April 1 is concerned, I think it is quite improbable that any reduction in retail prices would result.

But I am especially disturbed that remarks the Secretary of Agriculture has been making, apparently designed to attract the support of city residents for his reduction in the dairy support price level, cannot be sustained by demonstrable facts. Such remarks, unsupported by facts, do serious harm to the dairy industry as a whole and to dairy farmers in particular.

Farmers are consumers, too, the Secretary should be told. Would that they could share in some of the attention he devotes to city residents as consumers. There is an increasing amount of mail to my office from chambers of commerce, businessmen, and bankers in rural America testifying to the fact that what hurts the farmer hurts them. Why? Because the farmer as a consumer has not been buying as much in the last few years as he did previously. There is an interdependence of the city worker and the rural American in small towns and on the farms which cannot be escaped. When one segment is weakened economically, the other will sooner or later be adversely affected.

It is interesting to note that stocks on hand are not cited by the Department of Agriculture as one of the reasons for the impending cut. This should be brought out, however, because it shows that the Department has been steadily increasing its ability to move the surplus. The fact of the matter is that the Commodity Credit Corporation owned or had under contract to purchase more dairy products on April 30, 1956, the month dairy price supports were last increased, than on November 30, 1957, the eve of Secretary of Agriculture Benson's announcement that the support price would be reduced April 1, 1958.

Commodity Credit Corporation inventories
(In pounds)

	Apr. 30, 1956 (last parity increase)	Nov. 30, 1957 (before parity cut)
Butter oil.....	9,431,498
Butter.....	74,962,408	83,882,640
Cheese.....	286,556,658	246,881,307
Dried milk.....	178,524,100	157,164,525
Under contract to purchase:		
Butter.....	14,777,127	2,460,364
Cheese.....	13,048,303	10,683,168
Dried milk.....	97,673,900	66,272,141

There is not much chance that our disposition outlets for this year will be less than last year. And it is readily apparent that if unemployment continues to grow there may be further need for larger quantities to be used in relief channels in this country.

There is not the slightest doubt in my mind that the cut in supports, if carried through, will serve as a cruel stimulant to greater production instead of providing less incentive to excessive production as the Secretary declares. Scores of letters from dairy farmers and plant managers in Wisconsin and the Midwest bear me out in this statement. Farmers' overhead costs must be met. I am personally convinced that the Government may pay out as much in increased purchases as it saves in support cuts if this action is carried out. Not shown is the dreadful human cost in longer hours worked, fewer necessities purchased, and reduced land and building maintenance this cut will bring to the dairy farmer.

I support this resolution which affects commodities in addition to dairy products because I recognize the fact that the interests of other farmers are interrelated with those of the dairy farmer. Both as producers of food and fiber, and as consumers of manufactured goods, the Nation's farmers are much more important than the 12 percent of the population they are numerically. It is high time that farmers looked beyond the limits of their own commodity group to discover and attempt to understand the goals of others close to the soil.

There have been repeated attempts to divorce the dairy farmer from the across-the-board freeze resolution we are considering here today. I am more than a little puzzled by the logic involved.

I am happy to support an across-the-board freeze which includes farm commodities in addition to dairy products. Dairying has the best chance of favorable attention as part of an overall bill. The administration has already shown what it would do to a separate dairy freeze through its failure to rescind the cut ordered last December.

Mr. CHRISTOPHER. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CHRISTOPHER. Mr. Chairman, this resolution should pass the House without a dissenting vote. Those Representatives from agricultural districts should support this resolution because its adoption will prevent Ezra T. Benson from going further with his program of destroying family-type agriculture in the United States.

Those from the urban sections should support this measure because it will help to keep the farmers who are yet on the farm from being forced off the farms and into the cities. The cities now have 5 million more workers than they have employment for and are in no condition to absorb an additional influx of farm people that will be driven to them if Benson's shortsighted farm policies are not checked.

The present recession is the direct result of lowering the buying power of the American farmer. The farmer produces more than 60 percent of all the new wealth in the United States each year, and at present is receiving only 80 percent of parity for his products.

Remember that parity means simply equality of purchasing power. Remember also that the farmer uses more steel than the automobile and truck manufacturers, more petroleum products than all the railroads, and more rubber than the Army, Navy, and Air Force. But in order to remain so good a customer of labor and industry they must have this equality of purchasing power or they will be forced to drastically curtail their purchases.

Since 1952, the farmer has been underpaid an average of \$6 billion gross each year for his food and fiber, and because every dollar paid for food and fiber and other raw materials is translated into \$8 of national product, it becomes evident that the national product over the 5-year period beginning in 1952 would have been \$240 billion greater had the farmer received a parity price for the raw materials he produced.

The \$30 billion underpayment to agriculture during the past 5 years is the direct cause of the present recession. That \$30 billion can never be restored to agriculture. Neither can the \$240 billion loss to the national economy be restored. The Federal Treasury over that same 5 years lost 18 percent of the \$240 billion and that can never be restored either.

So it is apparent that under the Eisenhower-Benson regime for agriculture, the farmer loses, the national economy loses, the Federal Treasury loses, and the cost of living goes ever up and up.

All this resolution will do is to peg price supports and acreage allotments for 1958 where they were in 1957. The American farmer will still have to suffer another loss of \$6 billion during 1958, but this resolution will prevent Benson from making that loss \$1.5 billion greater.

An amendment will no doubt be offered to strike everything out of this resolution except dairy products. That amendment should be defeated. That is an old technique of dividing agriculture into opposing segments on a commodity by commodity basis.

When agriculture is prostrate, labor is unemployed, bankruptcies and business failures rise—then recessions become depressions. Let us pass this resolution today and then bend every energy to the task of raising farm prices to 100 percent of parity because only by so doing can we provide incomes and homes for our continually expanding population.

Mr. Chairman, the American farmer is being bankrupted. As a class, he is not lolling in the lap of luxury. Recently the Farmers Union conducted an extensive survey in the States of Wisconsin, Minnesota, the Dakotas, and Montana. Wisconsin is the greatest dairy State in the Union, with 180,000 farm homes, reports the Department of Agriculture. Farmers Union survey of those homes indicated, according to the February 1958 issue, that 55,800 of these homes do not have bathtubs, 55,800 do not have TV, 41,200 do not have telephones, 54,000 do not have inside toilets, 88,200 do not have furnaces, 44,200 do not have running water, and 79,200 do not have deep freezers.

What a tremendous unsatisfied demand for the products of labor and in-

dustry right there in that great dairy State. Do you gentlemen from Wisconsin believe that the way to put these conveniences in these farm homes is to further reduce the price of milk? Do you believe that the Eisenhower-Benson recommendation to lower dairy support to 75 percent and eventually on down to 60 percent will put more bathtubs, telephones, running water, and furnaces in Wisconsin homes?

In closing let me remind my friends from the big cities that lower farm prices under Eisenhower and Benson has meant higher food prices for you, and also remind you that when you cut the farmer's throat you cut your own.

Mr. HILL. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. HOEVEN].

Mr. HOEVEN. Mr. Chairman, I certainly am not happy at the turn of events which brings this resolution to our attention at this time.

I am one of those who sincerely feels that an omnibus bill approach is the only answer to our problem. It was my understanding, and I think there was committee agreement, that all matters relating to price supports should be considered in one omnibus bill. Hence the reporting of this resolution is rather a breach of that agreement, to say the least.

What happened in the Committee on Agriculture in reporting out the resolution is beside the point. Let me emphasize, however, that the original resolution as it came to the House committee from the Senate did not even provide for a termination date. In fact, the Senate resolution provided for a stay on any reduction in support prices or acreage allotments until Congress could make appropriate changes in the price support and acreage allotment loss. This might be for several weeks, months, years, or even forever. The Republican members of the House Committee on Agriculture insisted that a fixed termination date be incorporated in the resolution and, as a net result of our efforts, the legislation before you is now limited to 1 year as far as price supports are concerned and to 2 years as far as acreage allotments are concerned. It is the best we could do under the most adverse and trying circumstances. Perhaps we may have the credit of having won a dubious moral victory. After the original resolution passed the Senate only a few days ago, newspaper accounts quote Senator ELLENDER, chairman of the Senate Committee on Agriculture and Forestry, as saying that the resolution would likely be vetoed by the President of the United States. This clearly shows that political expediency was the main consideration in rushing the resolution through the Senate. The same applies to the situation as it presents itself in our consideration of the legislation today. No hearings were held on the resolution in the Senate. No hearings were held by the House Committee on Agriculture. The whole procedure reminds one of the early days of the New Deal when legislation was rushed through Congress without bills even being printed.

To show you how moot this question really is, please remember that even if

the resolution is vetoed and the veto sustained, we will only revert back to the present law pertaining to price supports. If the resolution fails, the Secretary can still operate under the flexible processes of the law by fixing price support from 75 to 90 percent of parity. Thus the failure of the resolution in the last analysis will take nothing away nor add anything to the authority the Secretary already has in this regard. All the resolution will do is to freeze the price supports at the 1957 level as already established and fixed by the Secretary of Agriculture under the present law. If the resolution does not become law, the Secretary can still lower or raise price supports between 75 and 90 percent of parity as heretofore. He can even raise price supports over and above the figure fixed for 1957 up to 90 percent of parity if in his discretion he decides to do so.

I assume the House will approve the resolution now before us. Thereafter, the resolution will go to conference where the House limitation amendment will very probably be accepted. After approval of the conference report in both Houses, the resolution will go to the White House and, unless I am entirely mistaken, a prompt veto will be forthcoming. In view of the fact that the Senate acted first on the resolution, the Senate will act first in overriding the veto. Judging from the record vote on the passage of the original resolution in the Senate, a veto cannot be overridden and, hence, will be sustained. I doubt very much if our Democratic friends will shed many tears if that happens.

I think that those of us from agricultural districts should stop, look, and listen. The way this legislation is being rushed through Congress may well spell the doom to general farm legislation dealing with price supports and acreage allotments of any kind at this session of the Congress. This may be the only opportunity we will have to vote on a general farm bill this year.

Regardless of the political implications involved, there is some justification for voting for the resolution. We all know that the farmer is in a tight price-cost squeeze. He has nothing to say about fixing the price of the products which he offers for sale in the market place. Still he has to pay sky-high prices for everything he has to buy. The so-called recession is affecting him just as much as the other segments of our economy.

To combat the so-called recession, we are falling all over ourselves stepping up programs involving the expenditure of large sums of money in order to put people to work. We are setting up crash programs for a new and expanded highway system, we are rushing public works programs for more hospitals, Federal buildings, flood control, and other items which are all to the good. Soon we will have legislation to increase unemployment benefits and to extend the period for unemployment benefit payments. We are stepping up programs for housing, both public and private, and are reducing interest rates for borrowers. In short, we will have increased programs and increased spending for every

segment of our economy except agriculture. It looks as if the American farmer is the fellow who is going to be left holding the sack.

When all is said and done, agriculture is still the Nation's basic industry. Every segment of our economy depends upon the welfare and prosperity of the American farmer. Whenever his purchasing power declines, it has its immediate effect in every hamlet, village, town and city in America.

I deeply regret the fact that the American farmer, through the medium of the resolution now before us, is once more the victim of political maneuvering. In my judgment, the farm problem will never be solved as long as agriculture remains a political football.

Mr. COOLEY. Mr. Chairman, I yield 5 minutes to the gentleman from South Dakota [Mr. McGOVERN].

Mr. McGOVERN. Mr. Chairman, the predicament of the farmer has been amply documented here on the floor of the House many times, and I am not going to labor that point any further. But we are now being reminded that a farm depression has consequences that run far beyond the farm homes of the United States. At this moment more than 5 million Americans are unemployed. Is it not reasonable to assume that a major factor behind this unemployment is the falling purchasing power of millions of farm families? It seems to me, as the gentleman from North Dakota, my sister State, pointed out here a few minutes ago, this is a lesson that should have been learned during the 1920's. For 8 years, at least, prior to the crash in 1929 the farmers of this Nation were caught in a severe economic pinch. Many people ignored the plight of agriculture in the decade of the twenties because of the prosperity that the rest of the economy was enjoying. But the loss of purchasing power in rural America took its toll as a major contribution to the disastrous collapse of our economy in 1929.

For the last 7 years farm purchasing power has been in decline. Farmers have been forced to cancel plans for new tractors, new automobiles, new refrigerators, washing machines, building repairs, college education for their children, and other items that they would buy had their purchasing power not been destroyed by inadequate farm price protection.

It seems to me that it should not take an economist to relate this unhappy situation in agriculture to some of the unemployment problems that face us across the country.

There has been some concern expressed here today about the relationship to the consumer of this effort to maintain the farm prices at their present level; that is, the effect it will have on consumer prices in the cities. The fact remains that since 1951 we have had a drop in farm prices of approximately 19 percent based on the 1951 level, but instead of that benefiting the consumer in the form of lower prices in the grocery stores, prices have gone up on food some 3 percent since 1951.

Only a few years ago milk, for example, was selling at 19 cents a quart to city consumers when the farmer was

protected at the 90 percent price level. Now we are under an 82 percent price protection for the farmer and the price of milk to the city consumer has gone up to around 24 cents a quart. One of the reasons I am afraid of any further cut in milk prices to the farmer is that I have to buy 5 quarts of milk every day to feed my family and based on past experience I am convinced that if we cut the price of milk to the farmer it would go up to the consumer again. We have seen ample evidence of that in the past. It was also suggested today that the farmers themselves would like to do away with price protection of all kinds if they were given the opportunity to increase production. Recently in the State of South Dakota, which I represent in the Congress, a poll was conducted by three of the largest newspapers in our State on that very question, and farmers were given an opportunity to state their views on this possibility of doing away with acreage controls or at least having a great reduction in those controls with lower price supports; 75 percent of them voted against that proposal. As far as the current administration proposal is concerned to establish price support in a range of 60 percent to 90 percent, the farmers of my State who responded to this poll to which I have referred rejected that proposal by a margin of 87 percent to 13 percent. So at least as far as the State of South Dakota is concerned, and I think it is a representative rural State, the farmers have made it very clear that they prefer price protection of some kind even though it means a reduction in acreage or production. I urge the adoption of this temporary hold-the-line legislation and I hope that we will then move on to a permanent, comprehensive farm program.

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

Mr. McGOVERN. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. Mr. Chairman, I want to commend the gentleman from South Dakota on the splendid statement which he has made and on the fight which he has made for the farmers of his State since coming to the House of Representatives. I think the gentleman's analysis of the conditions in his State is pretty close to being on all fours with the condition in the State of Oklahoma. Our Oklahoma farmers cannot afford any further cuts in farm prices any more than the farmers of South Dakota can. I certainly want to join the gentleman in support of this resolution.

Mr. McGOVERN. I thank the gentleman.

Mr. ANDERSON of Montana. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. ANDERSON of Montana. Mr. Chairman, I commend the gentleman from South Dakota [Mr. McGOVERN] for the very thoughtful and very constructive remarks he has made. The gentleman is doing a real job of representing

the people of South Dakota and advancing, here in the Halls of Congress, programs of benefit to his constituents. I wish to associate myself with his remarks and with those of the gentleman from Oklahoma [Mr. ALBERT].

My State of Montana faces a very real disaster if the Secretary of Agriculture is permitted to cut support prices for wheat by 22 cents a bushel, as he has proposed. I introduced a bill at the start of this session that would force the Secretary to support the 1958 crop at the 1957 levels. I am happy that those provisions have been incorporated in the bill now before us and I urge my colleagues to support this legislation.

Depressions are farm led and farm fed. The depression now reaching into our towns and cities started several years ago on America's farms. Mr. Benson has played a major role in driving down farm prices, depressing the agricultural economy and feeding the first of an all-consuming general depression.

The Big Three are making no cut in automobile prices, even though the public is only willing to buy half their capacity at present prices, and even though they made the highest profits in history last year. Big steel is making no reduction in prices of steel, even though the economy is only able to take 52 percent of their capacity at present high prices; even though they, too, made record profits last year by selling less goods for more money.

This bill cannot help the farmer much but it will prevent running him through Benson's wringer again.

Mr. COOLEY. Mr. Chairman, I yield 5 minutes to the gentleman from Arkansas [Mr. GATHINGS].

Mr. GATHINGS. Mr. Chairman, this legislation is desirable. This legislation should be enacted.

Mr. Chairman, cotton has been mentioned quite a lot in this debate. So far as this freeze resolution applies on the matter of price supports on cotton is concerned the legislation says that the level of supports shall not go lower than the 1957 support price. But due to the escalator provisions of the cotton law, the price for the 1958 crop has advanced 2 cents a pound.

It will have, however, a good advantage to the cotton farmer in this respect, and that is on the matter of acreage. The acreage this joint resolution would freeze would be 17,391,000 acres. If no action is taken by the Congress that national acreage would be cut back to some 13,600,000 acres, or a reduction of better than 20 percent. So that is the only thing in this resolution that affects the cotton farmer, which he is greatly concerned about. He would not want to take the 20-percent cutback in his acreage next year, especially since he has taken a reduction of 40 percent in acreage in recent years.

The National Cotton Council came before our Subcommittee on Cotton, and before the full Committee on Agriculture, urging that something be done in 1958 about the shortage of quality cotton. An amendment was presented recently on the floor of the United States Senate to increase the cotton acreage in 1958 by 30 percent. It was shown that there

was a real need for that increase because of the fact that in 1957 heavy rains came and poured down on that cotton during the growing season and harvest season and lowered the grade. It came up with spotted cotton and a low grade and quality of cotton resulted. In 1957 the growing season was shorter than usual in the mid-South area due to an early frost and a cooler spring. There was 30 days less in the growing season. In an average year about 72 percent of the crop production is quality cotton. In 1957 only about 60 percent of the total crop was high-quality cotton. So instead of producing for the market the average 72 percent, which amounted to about 9,100,000 bales of quality cotton in 1956, instead of having 9,100,000 bales there was a reduction in production last year and only 6,600,000 bales of quality cotton was made available.

Another thing, rayon and other synthetics have been encroaching on the cotton farmer's market for many, many years. In 1940, the equivalent in cotton bales of rayon and other synthetic production amounted to 6,674,000 bales. In 1949, that had risen to 8,181,000. In 1956, 17,338,000 equivalent cotton bales in various manmade fibers were sold. So the cotton farmer does face quite a tough situation. He should not be cut back in his acreage at a time when more good cotton is needed to meet the needs of the cotton trade. I hope that this resolution will be approved.

Mr. HOEVEN. Mr. Chairman, I yield 4 minutes to the gentleman from Iowa [Mr. JENSEN].

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

Mr. JENSEN. I yield to the gentleman from South Dakota.

Mr. BERRY. Mr. Chairman, I ask unanimous consent to extend my remarks following the remarks of the gentleman from Iowa.

The CHAIRMAN. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. JENSEN. Mr. Chairman, I am especially glad to yield to the gentleman from South Dakota because he has been a constant fighter for the welfare of the farmer since he came to the House of Representatives.

Mr. BERRY. I thank the gentleman.

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

Mr. JENSEN. I yield.

Mr. NEAL. Mr. Chairman, when the Congress adopted flexible price supports for agricultural commodities, it was recognized as a practical means of stabilizing agriculture by reducing the temptation to overproduce. By limiting acreage plantings and reducing the support prices by easy stages, production of basics has been materially reduced, but farmers have not only increased output per acre but they have converted their spare acres to the production of competing crops which, when substituted for basic feed crops, have prevented the reduction of Government-stored basics.

Dairy farmers, although their support prices were reduced under the flexible-support principle, have concentrated on greater production in the hope of main-

taining their former levels of income. In fact, any way we view our experiences during the period of mandatory supports for agricultural commodities, most of the problems remain unsolved.

While legislation has served to favor some farmers, especially the big commercial basic-crop growers, it has done little to favor the family-size farmer who is often handicapped by regulations that prevent him from utilizing his own farmland to his own advantage. The farmer who feeds livestock or poultry is at a decided disadvantage when he is compelled to pay prices for feed based upon the prevailing prices of the basic commodity from which it is processed.

In my own State, tobacco is supported at 90 percent of parity because it is a product especially adapted to supports. It can be safely stored for a normal period of time without spoilage. This program has been highly successful because of the willingness of growers to reduce acreage plantings in keeping with demands. No other price-supported commodity can qualify as does tobacco.

While dairy farmers have uniformly prospered under price supports, certain marketing regulations prescribed by the Department of Agriculture have subjected producers in certain areas to inequities. The practice of arbitrarily fixing prices for milk on an area basis affords distributors certain advantages unfair to both producers and consumers.

Existing farm legislation is far from satisfactory. Each time farm laws are revised there arises added confusion and dissatisfaction. To pass this bill with the hope of later enacting farm legislation that will solve existing problems has little or no promise. If we agree that price-support legislation has failed and adjustments are possible through continuing the flexible principles of price supports, I can see no good reason to freeze price supports at the present level.

Mr. JENSEN. Mr. Chairman, I am supporting this bill for the same reason I have always supported 90 percent of parity on basic farm products. If the farmer's dollar had been worth 100 cents in purchasing power for these past 5 years, we would not find it necessary to even think about such legislation such as this House passed yesterday which in effect ordered the President to spend money faster by the billions of dollars, because the farmer, when his dollar is worth 100 cents in purchasing power, buys over twice as much manufactured goods as the rest of us do in an average year, year in and year out. Is it any wonder we have over 5 million people unemployed today in business and factories, especially in the farm implement plants, since the farmers' dollar is only worth 82 cents in purchasing power. Anyone who is opposed to stabilizing the farm income, on the 1957 level, has given little thought to our economic problems, which stems from our low farm income. For example, total farming in Iowa has fallen 30 percent during the past 5 years. Grain prices today are about 70 percent of parity and corn is far below that on the open market. So, my friends, we had best do something to safeguard these great buyers of the manufactured products that the people in every area of

the United States manufacture. If we could put the farmers' dollar up to 100 percent of parity, we would stop this recession in its track now—and I do not like to say "I told you so." But, let me read to you a few of the remarks I made on May 12, 1954, almost 4 years ago when this House was considering a bill to change 90 percent supports to flexibles. Here is what I said in part, and I support this bill today for the same reasons:

Mr. Speaker, my reason for supporting 90 percent of parity for basic storable farm crops—corn, wheat, cotton, tobacco, peanuts and rice—are as follows:

Because our farmers are entitled to a dollar which will purchase 100 cents worth of manufactured goods produced by higher and higher labor costs.

Now listen to this:

Because the proposed flexible price support formula would within the next 3 years reduce the price of a bushel of corn, for example, at least 30 cents per bushel and all other products in proportion.

And corn has gone down more than 30 cents per bushel since the day the Congress passed the flexible parity act. I also said that the flexible parity program would reduce farm income by \$4 billion—and it has exceeded that. You can talk until doomsday about this flexible support program and claim that it will cure the farm problem. What is the record? It has piled surplus on top of surplus.

Commodity Credit Corporation has piled up commodities to the end that they had \$4,740,000,000 worth more in storage on January 1, 1958, than they had 5 years ago. Still you have men in high places in the Federal Government, in Congress, and over the country telling you that the flexible support program will reduce surpluses. That is pure hogwash as the record proves.

Mr. POAGE. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, in order that I may not say something that I would regret saying I shall try to confine myself to my notes.

Mr. Chairman, the present depression, just exactly as the depression of 1929, had its roots in inadequate farm buying power. The history of the last 5 or 6 years closely parallels the history of the years preceding 1929. Then, as now, we had enjoyed a period of general prosperity, high wages, full employment, liberal profits, substantial urban construction, and an active stock market. In all of these respects the past 5 or 6 years have almost duplicated the middle and late twenties.

Nor is this the only similarity between the eras. From 1922 to 1929 farm prices worked steadily downward. The same has occurred in recent years and with the same results. Unnoticed at first, farm buying power has been so restricted that from year to year industry has been losing that extra sales volume which was needed to sustain the high level of production to which it was geared. Within 5 years farmers' net income, which certainly represents the total of farmers' wages as well as return on investment, dropped 19 percent from \$14,256,000,000 in 1952 to \$11,532,000,000 in 1957. This

represents the smallest net income of farmers since 1942 and 35 percent of this was earned off the farm. To make matters worse, this decline has happened at a time when the general level of all prices was going up. With his income going down the farmer has had to pay more for everything he has had to buy.

Farmers have historically provided the largest single market in the United States for steel. With a fifth of our farm buying power down the drain, is it any wonder that steel mills have had to cut back their production? Farm families have in the past purchased about 10 percent of our automobile output and have accounted for about 18 percent of our clothing sales. Of course, farmers have consumed a much larger percent of implements, tractor fuels and other productive supplies. It was not until farm buying power broke down that the merry-go-round stopped in 1929. Today farm buying power is all but gone again and the little strength that is left is ebbing fast.

Undoubtedly we need programs of public works for the more than 5 million unemployed of this land. Undoubtedly these unemployed must have immediate assistance to secure the necessities of life. I am for antidepression activities but these work programs and tax-reduction programs can do nothing more than maintain a sagging economy. They do not strike at the causes of our industrial decline.

Why do we have unemployed today? We think of this unemployment problem as one for industry alone. It is true that most of these unemployed were a few months ago working in factories in our big cities, but the immediate cause of much of this unemployment—now reflected in a slowdown of sales of industrial goods—lies, first, in the lack of farm buying power, then the lack of buying power in the hands of the unemployed themselves. The thing snowballs and becomes more serious with each layoff of workers. But where did these workers come from? They are in large part the very people who have so often been characterized as the "inefficient." In truth, they were just small farmers—the kind who built this Nation. Just last week the Department of Agriculture released figures to show that within the past 10 years there has been a reduction of 30 percent in the number of farm workers in this country. Just 10 years ago last month we had 7,678,000 persons employed on our farms. In February 1958 we had 5,439,000 persons working on farms. This decline in farm employment is equal to approximately 40 percent of the total unemployment now reported in the United States.

Of course, I understand that the reported figures are for nonfarm workers, but the catch is that many of these people who have been literally driven from their farms by the harsh whip of low prices have moved to town. They have become a part of the industrial labor force and now when that labor force is cut back the statistics do not show whether or not the man now out of a job was recently driven from the farm by continued low prices for his products. But regardless of where these unem-

ployed lived 6 or 8 years ago, the fact that farm jobs have disappeared now means that there are around 2 million more industrial workers looking for jobs than would be the case if these people were still on the farm.

Many of us have not wanted to look at the farm picture too carefully. Many of us have thought we didn't have to look at the farm picture; that we could sweep it under the rug; but beginning right now I have a feeling that many of our citizens who have nothing but time on their hands will be looking at this farm picture and will be wondering why our Government has not tried to keep as many farmers on the farm as possible. Of course, Congress has tried to do that very thing, although in this effort it has not had the entire support of everyone else, either in or out of the Government.

The fact remains that farm prices have moved steadily downward and it is clear that farm prices are not now sufficient to maintain the degree of farm buying power needed to keep our industry healthy. It is undisputed that farm prices have been so low that this year alone 2 million farm people left the farms for the cities of the United States. Many of our people are just beginning to understand that this is hurting everybody.

The bill before us today will not increase farm buying power; it will not raise farm prices; it will not increase the volume of production. It will, however, keep the farmer from slipping a little further down the ladder of despair into the mire of the bankruptcy court. It will simply hold the supports on farm commodities as high as they were in 1957. No support price is raised; no acreage allotment is increased. This bill does nothing more than say that we are going to put a scotch behind farm income or at least behind farm price supports and acreage allotments and see that they are not further decreased.

What does all this mean in the language of the industrial worker? It simply means that we are not going to cut the farmer's wages any further. It does not give the farmer any greater wage per hour and it does not give him an opportunity to get paid for any more hours of work per week. It just maintains his present unfortunate and unsatisfactory condition. Again, trying to explain this farm situation in industrial terms, we can say that cotton and wheat farmers are, through acreage controls, already reduced to a 3½-day workweek—at least that is all they can get paid for. Of course, they must still put in 6 or even 7 days per week, but since their acreage has been reduced by a full one-third they find their total pay reduced just as does the worker whose workweek has been reduced. Some of those who are working in American factories are now having to take comparable cuts in their hours of work, but how would that industrial worker feel if in addition to losing a day and two-thirds out of each 5-day week his hourly wage were set at 80 percent of the figure that had previously been agreed on as a fair wage? That is what has happened to those farmers.

Parity comes as near to measuring fair prices for farm products as any formula yet devised. It averaged just over 80 percent for all farm products last year. That is four-fifths of a fair price on the production of about two-thirds of the farmers' normal acres, or four-fifths of a fair wage for two-thirds of the week. Most industrial workers would strike before they would accept such an agreement. Yet, we as spokesmen for the farmers are coming today only asking that you maintain—not improve—this utterly inadequate arrangement for the farmers of America.

I personally feel that we should ask for more. I hope that before this session is over that our Committee on Agriculture gives this House an opportunity to vote for more—to vote for a real increase in farm purchasing power—but right now we are trying to keep for the farmer the thin crust of bread which he still has. If this bill should fail he will lose even that. If this bill is not passed, farmers are going to receive considerably less. If the bill is passed, all you do is to give the dairy producer 83 percent of a fair wage for the next year; you assure the cotton producer 78 percent of a fair wage; you guarantee the wheat farmer 79 percent of a fair wage; and remember that you are only going to enable most farmers to be paid at even these utterly inadequate wages for a part of the week. If this bill is not passed, next year cotton acreage will be less than half of normal—in other words, cotton farmers will have lost more than half of their workweek and will be paid at only four-fifths of a fair hourly wage for the other half. Incidentally, even now, the average labor return to the Wisconsin dairy operator is only 38 cents per hour—why should we be surprised that our economy is falling?

Now, just a word to those who are so prone to say that any maintenance of farm prices is hurtful to the consumers. This bill will prevent a drop of something like 22 cents a bushel in the price of wheat. Now before someone shouts that this is going to raise the price of bread, let us look at the record. In 1948 wheat sold as high as \$3 a bushel. Bread sold at an average of 13 cents a pound across the United States. The price of wheat came down, not up, so that 10 years later wheat was selling, and is now selling, in the United States at approximately \$2 per bushel—one-third less than it brought 10 years ago. Has the price on bread gone down? It has not. On the contrary, the average price of bread throughout the United States is today almost 19 cents per pound, actually 18.8 cents. In other words, bread has gone up by almost exactly the same percentage that wheat has gone down. A similar situation exists as to milk. In 1952 with milk firmly supported at 90 percent of parity the consumer paid an average of 22.8 cents per quart at the grocery store. Today with milk supported at only 83 percent of parity and scheduled to go still lower the average price to the consumer is 24.3 cents per quart.

It may be that if we can save the consumer from this proposed drop in the price of wheat and of milk that he will

be spared that 20-cent loaf of bread and the 30-cent quart of milk which are fast approaching with our declining price of wheat and milk. Say if you want to that all of this is unreasonable, but it is a fact, nevertheless, and it is verified by the figures of the present Department of Agriculture and the present Bureau of Labor Statistics.

Mr. Chairman, I cannot say that this stopgap measure will restore farm buying power. It will not, but I can say with complete confidence that it will at least help a faltering economy while it needs help. It certainly does not do the job which I know needs to be done. We in the Congress have in the past tried to do a far more comprehensive job. We have passed bills to hold farm purchasing power substantially higher. I feel that had those bills been allowed to become law that our entire economic picture would have been brighter today. But our Constitution gives to another branch of Government the power to review our legislative acts.

I, of course, have no way of knowing what will happen to this bill after it leaves this House, but I have felt that with the bipartisan support which it has received thus far, that it has at least a real chance of becoming law. Certainly, no measure establishing higher supports could expect to become law at this time. I am personally for a substantially higher level of farm income, but I always felt that I would rather get part of something for my people than to present them with all of nothing. I hope a little later on we may get consideration of a more comprehensive bill, but just now to pass anything doing more than to maintain the status quo would only secure all of nothing for our farmers.

The defeat of this bill would be even worse. It would allow us to sink still further into the blackness of despair.

The passage of this bill, on the other hand, offers at least a chance for a part of something. I sincerely trust that the House will give us that chance.

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

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

Mr. ANFUSO. Did not the last depression start in the Farm Belt?

Mr. POAGE. Certainly it did. That is what I have been saying. It started on the farm, and this one has clearly started on the farm.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. POAGE. Mr. Chairman, I yield myself an additional 5 minutes.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

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

Mr. H. CARL ANDERSEN. The gentleman from Texas during the 20 years I have been a Member of Congress has, in my opinion, been always right on the agricultural question, and I want to say that also with reference to the gentleman from Iowa [Mr. JENSEN], who spoke immediately ahead of the gentleman from Texas [Mr. POAGE].

It seems peculiar to me, Mr. Chairman, that the House of Representatives at any

time would follow the lead of a man such as the Secretary of Agriculture, who has not been in the agricultural picture as far as Congress is concerned for more than 5 years, when we have gentlemen like the gentleman from Texas [Mr. POAGE], and the gentleman from Iowa [Mr. JENSEN], who have proven themselves right in the last 20 years so far as agriculture is concerned.

POAGE], and the gentleman from Iowa marks of the gentleman from Minnesota who has done so much for agriculture himself.

Mr. HILL. Mr. Chairman, I yield 3 minutes to the gentleman from Indiana [Mr. BEAMER].

Mr. BEAMER. Mr. Chairman, the farm problem is everybody's problem. If you are a farmer, it affects your income and your freedom. If you are a consumer, the amount and price of your food will be affected. If you pay taxes—and everybody pays taxes in some form—the size of your tax bill will be affected.

Thus, at the outset the background of this legislation should be considered. The Bureau of the Census reports that there are 4.8 million farms in the United States; 2.1 million of these farms sell over \$2,500 worth of farm products each year. Practically all are family farms and they get most of the Government aid, but, in the long run, they may have been hurt more than helped by the farm legislation of the past. Two million seven hundred thousand farms sell less than \$2,500 worth of farm products per year. Actually, in this last group, some 900,000 merely live in the country and 600,000 farm only part time and work at other jobs in the city.

Of these two groups, the first one, or the farms with the larger incomes, raise 90 percent of all United States farm products; and the second group produces only 10 percent. This smaller group, or this large group of small producers, really receives little aid from the price-support program. In fact, it may average only approximately \$100 per farm. That really is a false encouragement because all farmers need and want new income for their products and for their labor instead of Government handouts.

Undoubtedly, everybody knows why we have such a large surplus of agricultural products. On account of the requirements of World War II, Congress guaranteed farmers high price supports as a production incentive and the farmers responded with the greatest output per man in farm history. As a result, production soared and Congress continued to encourage this great production with more price supports. As production soared, the stock of Government-owned surpluses mounted until it reached a total of more than \$8 billion in the Commodity Credit Corporation in 1955. The Government has been able to dispose of more than \$12 billion in surplus farm products in various ways since 1953, but even so, today it still owns about \$7 billion worth.

What has been the result?

First. While trying to prop up farm prices, these same laws have created

these huge surpluses that actually have depressed farm income \$2 billion per year.

Second. Some \$15 billion has been spent on these programs—\$3.3 billion last year—and all of this is costing taxpayers \$1 million per day for storage purposes only.

Third. The Government, under present laws, must spend billions of dollars to sell and give away surpluses and, as surplus goes down, price supports go up,

encouraging surpluses to build up again. Thus, a vicious cycle has been imposed on the farmer and it was not done by his choosing. Without a doubt, these facts account for the hundreds of letters that come to me from farmers in the Indiana Fifth District—and these folks know that I, too, am a farmer.

Mr. Chairman, I was amazed at the action of the Senate last week as they passed Senate Joint Resolution 162, which said in effect that the price sup-

port and acreage allotment for the foreseeable future shall not be less than those prevailing in 1957. Even though the Committee on Agriculture of the House has slightly modified this proposal, in principle it is still failing to meet the needs of agriculture. I must say quite frankly that it is hard for me to understand this action in light of the background outlined and, also, of some of the facts that are available to all of those who are willing to consider them.

Department of Agriculture—Realized cost of programs primarily for stabilization of farm prices and income, fiscal years 1932-57

[The basis for the costs reflected in this table is as follows: (1) For activities financed from appropriated funds, the expenditures less receipts arising from the activities so financed; and (2) for Commodity Credit Corporation and Federal Crop Insurance Corporation corporate funds, the net gains or losses from operations and the interest cost to Treasury on Government-subscribed capital. Interest cost to Treasury on Government-subscribed capital of corporations has been computed on the basis of the average rate incurred by Treasury on the public debt in each of these years]

[In millions]

	Total	1932-36	1937	1938	1939	1940	1941	1942	1943	1944	1945
Programs primarily for stabilization of farm prices and income:											
CCC nonrecourse loans, purchase, and payment programs	\$4,603.0	\$8.7	\$5.3	\$0.4	\$4.6	\$7.4	\$34.0	\$69.1	\$49.9	\$5.9	\$29.4
CCC supply, commodity export, and other activities	15.4							1.1	2.0	12.4	5.8
CCC administrative and other general costs	991.9	10.2	3.9	2.1	13.0	8.7	2.2	19.6	12.1	10.4	26.1
National Wool Act program	63.5										
International Wheat Agreement ¹	899.2										
Donations of commodities to other nations ²	384.3										
Commodities sold for foreign currencies under title I, Public Law 480 ³	931.6										
Development of foreign agricultural markets under title I, Public Law 480 ⁴	2.6										
Removal of surplus agricultural commodities ⁵	2,154.3	32.2	35.2	35.2	211.6	143.9	226.1	196.3	112.0	63.4	24.9
Sugar Act	1,373.6			27.2	16.5	25.2	130.0	133.6	1.8	22.5	133.1
Federal crop insurance	203.7				4.4	7.7	9.8	14.8	14.6	18.1	2.9
Soil Bank, acreage reserve program	518.3										
Acreage allotment payments under the Agricultural conservation program	2,354.8		313.6	217.4	350.7	380.2	326.7	332.5	218.1	193.1	
Other, including Agricultural Adjustment Act of 1933, parity payments, and other adjustment and surplus-removal programs ⁷	2,260.1	921.7	84.4	.3	27.6	223.8	195.7	202.1	203.7	156.9	16.1
Total	15,009.1	972.8	442.4	228.2	589.4	746.5	764.5	633.9	511.8	401.1	49.9

	1946	1947	1948	1949	1950	1951	1952	1953	1954	1955	1956	1957
Programs primarily for stabilization of farm prices and income:												
CCC nonrecourse loans, purchase, and payment programs	\$30.1	\$71.9	\$125.4	\$254.7	\$249.2	\$345.6	\$67.4	\$61.1	\$419.5	\$799.1	\$974.8	\$1,299.5
CCC supply, commodity export, and other activities	35.9	242.7	138.4	14.7	2.7	1.6	1.3	6.4	66.0	50.1	70.0	149.1
CCC administrative and other general costs	33.2	13.9	16.5	15.9	48.1	42.0	34.6	55.3	102.7	81.9	195.5	312.2
National Wool Act program										2.0	2.0	61.3
International Wheat Agreement ¹					75.6	180.4	171.3	130.8	59.0	99.7	92.3	90.1
Donations of commodities to other nations ²									74.4	91.4	93.6	124.9
Commodities sold for foreign currencies under title I, Public Law 480 ³										129.5	304.9	497.2
Development of foreign agricultural markets under title I, Public Law 480 ⁴											.6	2.0
Removal of surplus agricultural commodities ⁵	19.2	78.4	51.2	75.6	96.6	46.0	37.5	82.3	177.6	58.9	179.1	171.1
Sugar Act	15.4	17.8	13.1	23.9	14.7	14.9	21.8	120.5	111.9	13.0	22.3	26.0
Federal crop insurance	21.5	36.9	11.8	.4	9.6	4.6	8.7	6.4	9.9	11.2	11.6	13.2
Soil Bank, acreage reserve program											3.6	514.7
Acreage allotment payments under the Agricultural conservation program	22.5											
Other, including Agricultural Adjustment Act of 1933, parity payments, and other adjustment and surplus-removal programs ⁷	11.5	12.2		10.8	24.9	18.8	7.1	7.6	67.1	40.9	30.4	46.0
Total	23.5	51.6	116.8	328.0	486.6	624.1	306.1	329.4	964.3	1,349.9	1,936.1	3,255.0

¹ Excess of credits—deduct.

² These programs are essentially international in nature, and are included in this classification with the kinds of items to which they most nearly relate.

³ The expenditures under this program are for payment of the difference between the price specified in the International Wheat Agreement and the domestic price of wheat.

⁴ Represents the net realized cost of commodities shipped to foreign countries in accordance with the provisions of the Agricultural Trade Development and Assistance Act (Public Law 480, 83d Cong., as amended). The total cost for fiscal year 1957 was \$1,396,373,493, representing (1) the excess of the investment in CCC-owned commodities shipped over the export sales value, \$366,222,971; (2) the cost of financing exportation, \$995,750,740 (primarily cost of commodities shipped from private stocks and ocean transportation); and (3) interest of \$34,399,782. The total cost is reduced by a credit of \$899,161,759 for foreign currencies collected under this program in fiscal year 1957, resulting in a net realized cost of \$497,211,734. The credit consists of the United States dollar proceeds (\$64,786,809) from sales of foreign currencies at rates of exchange current at time of sales of such currencies, and the United States dollar equivalent of (1) foreign currencies used for the purposes authorized by sec. 104 of the act (\$120,889,540), valued at loan agreement rates for loan disbursements, and for other disbursements, at the rate current when disbursed; and (2) foreign currency balances on hand at June 30, 1957 (\$924,447,276), valued at the Treasury selling rate at that date, less foreign currency balances on hand at June 30, 1956 (\$210,961,926), valued at the Treasury selling rate as of June 30, 1956.

⁵ Represents the expenditure of foreign currencies, expressed in United States dollar equivalent at rates of exchange current at time of disbursement, for developing new foreign markets for United States agricultural commodities, as authorized in sec. 104 (a) of Public Law 480, 83d Cong., as amended.

⁶ Includes the cost of commodities purchased and distributed to the school-lunch program but excludes cash payments to schools for part of their school-lunch program expenditures during fiscal years 1943 to 1949, inclusive.

⁷ Includes (1) acreage allotments and marketing quotas program; (2) parity payments; (3) Agricultural Adjustment Act of 1933 and related acts; (4) Agricultural Marketing Act revolving fund, and payments to stabilization corporations for losses incurred; and (5) miscellaneous, including 5 miscellaneous programs as follows: (a) Distribution costs on CCC stocks and hay for emergency feed program; (b) net operating results of the Federal Surplus Commodities Corporation which operated from 1935 to 1942 for the purpose of purchasing, processing, storing, handling, transporting, and disposing of surplus agricultural commodities and products for relief; (c) retirement of cotton pool participation trust certificates; (d) removal of surplus cattle and dairy products; and (e) transfer of hay and pasture seeds to Federal land administering agencies. The amount of \$921,700,000 shown for the period 1932 to 1936 represents \$378,600,000 for costs of programs conducted by the Federal Farm Board in the years 1932-34, and \$543,100,000 for costs of the Agricultural Adjustment Act of 1933 and related acts.

For some 25 years we have been attempting, through price support and adjustment programs, to control agricultural production—and it has been said over and over again—in order to increase the income to farmers. As a matter of fact, the price support and adjustment programs have had very little to do with the net income of farm families, since most of the prosperity in agriculture since 1940 can be directly attributed to war.

During this critical period in our budgetary and fiscal affairs we need to remind ourselves about the cost of these programs that have failed so miserably. I wish to insert into the record at this point figures released by the United States Department of Agriculture dealing with the cost of this program. This is in considerable detail, commodity by commodity and year by year, but I think it is necessary for the Members of Congress to have these facts available. In placing this information into the RECORD, it is not my intention to be critical of the operations of these programs, because I feel certain that no Secretary of Agriculture can administer the hodgepodge of laws that the Congress has been able to enact during the last 25 years.

I also would ask the Congress to consider the effects with regard to the cost of the program in the light of how we can benefit from the experiences during the last quarter of a century in helping to devise more workable programs.

The House has been asked to consider, based on the action of the House Committees on Agriculture, a proposal designed to freeze price supports and acreage allotments in their present pattern. This action would perpetuate further the cost to the Federal Treasury and, of course, to the taxpayer and the consumer, without correcting any of the economic problems of agriculture.

I submit, Mr. Chairman, that the continuation of these programs will not only fail to solve the agricultural problem but that it will be doing a great disservice to agriculture in both the present and long-range points of view.

1957 fiscal year price support and stabilization calculated costs by size and class of farms

Scale of farm product sales	Number of farms	Percent of farms	Percent of United States farm marketings	Calculated portion of 1957 price support and stabilization costs—	
				Total	Amount per farm
Large-scale farms..... Sales of \$5,000 or more.....	1,290	27	79	\$2,571	\$1,993
Medium-scale farms..... Sales of \$2,500 to \$4,999.....	811	17	12	391	482
Small scale, part-time, and residential farms..... Farms with less than \$2,500 sales.....	2,681	56	9	293	109
Total.....	4,782	100	100	3,255	

Most price supports go to the 1.3 million large-scale farms accounting for 79 percent of the farm marketings. For this group, the calculated portion of price support and stabilization costs for fiscal year 1957 averaged about \$2,000 per farm.

For the 2.7 million small-scale, part-time and residential farms, accounting for only 9 percent of farm marketings, the calculated portion of costs of governmental programs for

At this point, I include Facts About Price Supports, released by the United States Department of Agriculture on December 10, 1957:

FACTS ABOUT PRICE SUPPORTS

Items from only 13 crops are in Government inventory, plus manufactured dairy products and a small amount of wool soon to be sold. Our farms and ranches produce some 250 commodities including cattle, hogs, sheep, poultry, and tremendous quantities of fluid milk.

Over 80 percent of the price supports and stabilization costs in the 1956-57 period were concentrated in 3 crops and butter and manufactured dairy products. Nearly one-half—48 percent—of the costs were incurred on two crops—wheat and cotton. Most farm products are being sold competitively—on free markets.

The major Federal costs of price supports and stabilization programs are concentrated in 3 crops and butter and manufactured dairy products (based on fiscal years 1956 and 1957).

	Percent of costs	Percent of total cash farm receipts from 1956 sales
Wheat.....	30.0	7.4
Cotton.....	18.2	5.9
Corn.....	13.8	5.2
Dairy products.....	20.2	14.7
Subtotal.....	82.2	33.2
All other.....	17.8	66.8
Total.....	100.0	100.0

This distribution of price support and stabilization program costs is the result of operations in conformance with law.

The net realized cost of programs primarily for the support of farm prices and income in fiscal 1956 was \$1.9 billion and in 1957 was almost \$3.25 billion. These heavy costs would be justified if they led to a solution of the problems. Such is not the case. Price supports at the levels specified by the old basic law continue to generate surpluses which must be disposed of at heavy loss. The stock buildup resulting from the old rigid price law contributed to a major part of this loss. The losses are shown at the time of disposal.

census data of number of farms selling the crops) has been about as follows:

	Cost per farm
Wheat.....	\$1,166
Cotton and cottonseed.....	877
Corn.....	687
Grain sorghums.....	365
Rice.....	14,667

There are of course wide extremes between small 15-acre wheat or 5 to 10-acre cotton farms—and the large scale acreages per farm of 100 acres or more.

For example, based on 1954 census distribution of crops by size groups:

WHEAT

Six hundred and twenty-five thousand farms (62 percent) with less than 25 acres of wheat accounted for less than 14 percent of the governmental costs (fiscal 1957). This averaged about \$200 per farm.

Fifty-nine thousand farms (6 percent) with 200 acres and over, accounted for 36 percent of the Government costs (fiscal 1957). This averaged almost \$6,000 per farm.

COTTON

Four hundred and twenty-four thousand farms (49 percent) with less than 10 acres of cotton accounted for less than 11 percent of the governmental costs (fiscal 1957). This averaged nearly \$200 per farm.

Thirty-two thousand farms (4 percent) with 100 acres or more of cotton accounted for 31 percent of the governmental costs (fiscal 1957). This averaged about \$7,400 per farm.

RICE

Seven thousand, four hundred and sixty-eight farms (64 percent) of the 11,567 rice farms had 100 acres or more of rice and accounted for about 92 percent of the governmental costs (fiscal 1957). This averaged about \$21,800 per farm.

The commodity figures have special meaning when it is realized there are nearly 1.9 million farms with total sales per year of \$1,200 or less.

I have the privilege to represent a great farm district in Indiana where nature has endowed us with good, rich soil. All of us recognize that the farm population in America is decreasing yearly, and we also recognize further that the proposal under consideration is likely to increase the cost of food during this period when there is unemployment. Surely the Congressmen representing primary consuming districts cannot support the proposal embodied in this legislation. The hundreds of letters from farmers in my District in Indiana also ask to have fewer Government controls and less Government interference in their business. They say it is a high price to pay for a program that already has proven to be a failure.

Mr. HILL. Mr. Chairman, I yield 4 minutes to the gentleman from Illinois [Mr. SHEEHAN].

Mr. SHEEHAN. Mr. Chairman, history has indicated that the prosperity of the farmers is very definitely and closely linked with the prosperity of the city dweller. I personally would want the farmers to be prosperous so that the urban and city residents can be prosperous. However, I do not feel that in this bill that will be accomplished. Some of the gentlemen here have spoken about the farm drop in prices, as if it is a Republican phenomenon. The gentleman from New York [Mr. ANFUSO] stated that from 1952 to the present time farm prices have dropped 16 percent. Under

price supports and stabilization averaged only slightly over \$100 per farm. These farms received little help from the \$3.3 billion of Federal costs in fiscal 1957.

The rural development program is helping primarily the low-income farm families—the ones most in need of help.

The realized net cost per farm of price support and stabilization programs for fiscal year 1957 by crops (based on most recent

Mr. Roosevelt, from 1937 to 1939, a period of 29 months, farm prices dropped 35 percent. Under Mr. Truman, from 1948 to 1950, 24 months, farm prices dropped 22 percent. Again from 1951 to 1952 from March to December, under Mr. Truman, farm prices dropped 16 percent. They have dropped far more under Democrats than they have dropped under Republicans. It seems to me, my friends on the other side believe that the Republicans and Mr. Eisenhower can be put on the political hot spot by passing legislation. They think Mr. Eisenhower will have to veto it and they can go to the farmer and tell what great people they are and what great friends they are for the farmers. Let us look at the other side, the consumer side. What will this legislation do to the food budget of the consumer. Seven-eighths of the population of this country, roughly 150 million people are urban citizen consumers, and one-eighth are farmers. It strictly looks to me like the Democrats are trying to pass some class legislation in order to garner some votes. But, they are going to have to answer to the city consumers. They have to guarantee to the people in the city that they are not going to be pious and say, "We are for the farmers," and at the same time keep raising prices to the city people—which this bill will do by putting a floor under the prices and letting the ceiling go as high as it can. Instead of farm relief, this bill looks like it is designed to prevent any possibility of about 150 million people buying cheaper bread and butter. This is strictly an attempt, it looks like to me, to play both sides of the fence. The Democrats purport to be the friend of the so-called city people where unfortunately they have most of their power today. If they are trying to be the friend of the farmer at the same time, they are going to have to make up their mind on what side of the fence they are on. There is no question about that. Some of the gentlemen here from this side of the fence talk about profits. Let us look at the picture. We have some facts here. In 1947, according to the statistics from the Department of Agriculture, the farmers got 51.4 cents. Labor got 24.2 cents and the handlers took in profits of 5 cents out of every dollar. Then let us look at 1955. Under the Republicans, surely the farmers got less. They got 39½ cents out of each dollar, but labor who we all want to see get just treatment, went up to 31.5 cents.

And what happened to profits of the so-called big corporations and the middlemen that all the gentlemen on this side—not all of them, but most of them—are "hollering" about? Profits went down according to the United States Department of Agriculture to 2.9 cents out of every dollar.

Who is getting the money? I think the charges that you make that the prices are being bloated and the city people are taking advantage of the farmers is not true. The Democrats are trying to play both sides against the middle. It is about time the country is told that they are not going to get away with it.

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

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

Mr. ARENDS. The gentleman says this is a purely political bill. I want to say that although many of us are not always able to clearly see through every legislative proposal and although it is unusual to have snow in Washington as we do at this time, we do not have to have snow on the ground in order to follow the tracks of a lot of politicians.

Mr. SHEEHAN. The gentleman is correct.

Mr. HILL. Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. ALGER].

Mr. ALGER. Mr. Chairman, although I represent a highly urban area, I am in complete sympathy with the problems of the American farmer. But I think it is about time, also, that the farmers and their Representatives here in the Congress, start thinking about the problems of the consumer whose grocery costs remain high while his paycheck slides or stops.

Let me point out a few facts of life about the agricultural situation at the present time. For example:

Income per person on farms last year was highest on record, up 2 percent over 1951, the previous high year.

Farm assets are an all-time high, \$188 billion as of January 1, 1958.

Farmers have less than \$11 in debts for each \$100 of assets. In 1940, the ratio was \$19 for each \$100.

Owner equities rose 7 percent during 1957 to a peak of \$168.4 billion.

Farm ownership is also at a record high. Only 1 in 3 farms has a mortgage. The postwar downturn in prices which started in 1951 has been stopped. Prices received by farmers in February were 8 percent above a year ago and 11 percent above 2 years ago.

The family farm continues to dominate agriculture. Ninety-six percent of our farms and ranches are family operations, about the same percentage as 30 years ago.

The level of living on farms is highest in history.

Farm exports in fiscal 1957 set a new record of \$4.7 billion—68 percent higher than in fiscal 1953.

The surplus production of American farms is being made available for hungry people at home and abroad.

The buildup of surpluses has been reversed. Government investment in surplus farm products owned and under loan has dropped about one-sixth in the past year and a half.

The inventory value of livestock on farms for January 1, 1958, was \$14.2 billion—higher by \$3 billion than a year ago.

In short, Mr. Chairman, the farmer has his problems at this time, but so does the city dweller and I would like my distinguished colleagues to keep this in mind when they vote for this legislation which is designed to assist one segment of the economy at the expense of the others.

Mr. HILL. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. ROBISON].

Mr. ROBISON of New York. Mr. Chairman, as a freshman Congressman,

no issue has been of more concern to me than my decision on how I should vote on this legislation, Senate Joint Resolution 162, to provide that acreage allotments and price supports cannot be lower than those in effect in 1957.

Representing a Congressional District in which dairy farming is an extremely important segment of our local economy, I have been ever mindful of the problems which have faced the upstate New York dairy farmer for the past several months.

I have sincerely sought to understand and evaluate these problems as the dairy farmers of Broome, Tioga, Chemung, and Steuben Counties of New York have explained them to me. With my distinguished colleague, the Honorable JOSEPH CARRIGG, Representative from the 10th Congressional District of Pennsylvania, I had the privilege last Saturday, March 15, of attending, at Binghamton, N. Y., a conference of farm organizations and individual dairy farmers which we had called for the purpose of discussing these very problems.

That meeting was fruitful in that it gave Congressman CARRIGG and myself the opportunity to learn the thinking of many of our individual dairy farmers at first hand—as contrasted to the second-hand material which had been furnished to us by various dairy farming organizations and blocs. I am grateful for that opportunity, despite the fact that the meeting pointed up the very obvious differences of opinion between the some 50 farm bureau and dairy cooperative members who were kind enough to attend and take part in our discussions.

In brief, the Farm Bureau people told us they believed that while some benefits have been derived by dairymen from the present dairy-support program, it was high time that the dairy farmer recognized that no one can legislate farm income; that political attempts to solve the economic problems of the dairy farmer have failed; that the small dairy farmer who really needs help has been hurt by the price-support program, and that the Government's major role in this field should be to help farmers help themselves via stepped-up research, educational, and marketing programs.

In effect, they asked my colleague and myself to stop helping the dairy farmer, and to give the dairy farmer a chance to help himself. They said that, while Congress has been trying to help them for 25 years by propping up farm prices, we have succeeded only in creating huge surpluses that have actually depressed farm income in our Districts; that the fifteen-odd-billion tax dollars we have spent on our farm programs have shackled dairy farm progress, put a ceiling on opportunity, and served mainly to waste America's resources—including capital, labor, fertilizer, and machinery.

The Farm Bureau people told us further it is high time to get the Government out of agriculture and that even though they fully realized that any lowering of support levels would mean a temporary reduction of their net income the end results would more than justify such a hardship.

On the other hand, the cooperative members told us that while they agreed,

in principle, that the price-support program had failed, we in Congress should now act to hold the status quo until such time as some alternate program, such as one of the various so-called self-help plans, could be enacted. These people told us further that, in their opinion, lowering of dairy price supports to 75 percent of parity at the present time, as Secretary Benson has directed, could only result in the financial ruination of many of our small- and medium-sized dairy farmers, and that such a step was certainly untimely in view of the current recessionary trend in our Nation's economy.

I am sure that both Congressman CARRIG and myself respected the sincerity and experience of these people who gave us such divergent views. That there was a divergence of opinion was even more clearly shown when, at the conclusion of our meeting, a call for a show of hands of those supporting Secretary Benson's order to reduce dairy price supports and those requesting us to vote in favor of freeze legislation resulted in practically a tie vote.

Speaking for myself alone, I must confess that it then seemed to me to be completely inconsistent for us in Congress to be considering many and varied ways to combat this present recession—such as tax reduction and a massive public-works program to prime our national economic pump—while at the same time an administrative order was about to take effect, unless we acted to stop it, which would surely result in at least a temporary reduction in dairy-farm income and might even cause some of our dairy farmers to go out of business, thereby adding to our economic woes.

Two things have happened to change my thinking. First, the Senate resolution which is now presented to us calls for a freeze of not just dairy support prices, but for a freeze at 1957 levels, for an indefinite period, if not amended, of all agricultural commodity support prices and acreage allotments, except tobacco.

This is something else again.

Instead of protecting my dairy farmers from further economic troubles until an alternative program for them had been worked out, I am faced with legislation which would institute not just a freeze of policy but a major change of policy; in fact, a basic radical change in Congressional policy with respect to the entire price support and acreage allotment program, one that would virtually cripple the use of flexible standards in determining price supports and might constitute a serious setback in our administration's farm program which would take years to overcome.

Secondly, yesterday morning I had the distinct privilege of discussing this dilemma with Secretary Benson himself. No single individual I have yet met in governmental circles has so impressed me with his sincerity and basic honesty as did this man. I think that no one, regardless of his political affiliations, could help but believe, upon meeting him, that this is a man who, in his own words, is continuing to pursue a course

which he believes is best for our farmers and fair to all our people.

After careful consideration, I am now convinced that this resolution is bad legislation. It might temporarily prevent a loss of about \$200 a year in gross income on the average dairy farm in my District. This is a result I would like to see achieved, Mr. Chairman, but not at the expense of the consumer and of sabotaging our entire farm program, creating additional surpluses and increasing greatly the cost to the taxpayer of supporting Government in agriculture. I recognize that I have a duty to my constituents, but I also recognize that I likewise have a duty to consider the nationwide effect of legislation such as this and that there must be times when that duty must be paramount to local interests. I believe this to be one of those times.

Mr. Chairman, in conclusion I might add that if I have the opportunity to vote on a resolution to freeze only dairy support prices for a period long enough to allow this Congress to enact one of the various so-called self-help plans which are under consideration to protect the dairy farmer during the transition period necessary to getting the Government out of dairy farming, I would be inclined to support such a resolution.

Political complexions being what they are in this election year, I may not have that opportunity, and I also very seriously doubt that we in the minority party will be given the further opportunity in this session of considering and voting upon any of the proposed self-help plans.

I will vote "nay" on Senate Joint Resolution 162 in its present form.

Mr. HILL. Mr. Chairman, I yield such time as he may desire to the gentleman from Illinois [Mr. MICHEL].

Mr. MICHEL. Mr. Chairman, I represent the diversified farming area in the heart of Illinois comprising the 18th Congressional District and rise in opposition to this resolution, for I believe it to be a step backward in solving the agricultural problem. Oh, yes, the economic climate is just right for a demagogic approach today. We have heard an abundance of it here this afternoon, and I suspect that many will be moved by political expediency to support the resolution. Frankly, I do not propose to take the easy way out, but to stand up for what I believe to be fundamentally right, regardless of the political implications.

I was hoping that during this session we would have an opportunity to consider an overall constructive farm program, but it is quite apparent from this maneuver that the majority side has no intention of tackling this problem realistically in an election year.

Those of us from the corn and soybean producing area have been concerned over the extraordinary benevolent attitude the Congress has taken with respect to such crops as cotton, tobacco, rice, and peanuts. I just cannot help but have a feeling that we are still being asked to pay reparations to the South for the Civil War. The resolution before us today gives me no cause for altering this opinion. How long, Mr. Chairman, oh, how long, are we going to drift along

and evade the responsibility of facing up to this issue squarely?

Personally, I get just a little irked when Members of Congress are pictured as spineless creatures who are concerned only with their political necks. I do not appreciate being so characterized, and my record since becoming a Member of this House will disclose my holding fast to principle and conviction regardless of the political consequences.

Just last week, for example, when the omnibus public works bill was considered, I was forced to vote against my own project for the Hennepin Canal involving an expenditure of \$2 million because the omnibus bill was loaded down with \$432 million worth of additional unauthorized projects. That was just too much pork barrel to stomach to get my vote for the bill, even if it foreclosed my voting for my own project.

Yesterday, I was asked to take a public position in support of a local school tax referendum for school construction, and gladly did so although it probably was not the smartest thing to do politically. Today, many of us from farm districts may be on the spot politically, but I would urge my colleagues to not become panicked by this maneuver, but rather vote for what you honestly believe to be right as a matter of principle.

Mr. Chairman, I respectfully submit that a vote against the resolution today will be in the best interest of the farmer tomorrow and in the future.

Mr. COOLEY. Mr. Chairman, I yield such time as he may desire to the gentleman from Texas [Mr. THOMPSON].

Mr. THOMPSON of Texas. Mr. Chairman, during the earlier part of the debate a question was asked as to whether Mr. Benson could lower price supports. He can and I will show you how he is doing it in the case of rice.

When the support level was fixed last fall, it was based on figures compiled within the Department of Agriculture. Among others, the figures used were expected domestic consumption and expected foreign consumption. The latter figure was based to a considerable extent on shipments abroad during the preceding year. These shipments incidentally were 24½ million hundredweight under Public Law 480.

The statisticians, to be conservative, revised this downward to 19 million which was the figure submitted.

Using this as a part of the expected shipments abroad, the surplus of rice was lowered to such a point that under the escalator clause the support price would have been in the neighborhood of 86 percent.

These figures were immediately sent back with instructions to use an estimate of foreign shipments which would bring the support price down to 75 percent. This was done and that is where the support price stands today.

At the same time, a cut in acreage is inevitable and the rice producers will take a 37 percent cut for next year.

The rice industry can't take it and there is no reason why they should in the face of a worldwide shortage of rice and a ready demand for the American surplus.

If the Commodity Credit Corporation filled the requirements as they stand today, by the first of August there would be no surplus.

All of the foregoing was developed in a hearing this morning in the rice subcommittee.

The rice industry needs the passage of this resolution desperately so that we may have an opportunity before we go broke to recommend some permanent legislation.

Mr. COOLEY. Mr. Chairman, I yield such time as he may desire to the gentleman from Missouri [Mr. CANNON].

Mr. COOLEY. Mr. Chairman, I yield the balance of my time to myself.

Mr. Chairman, I want to conclude this debate by saying it is difficult for me to understand how the last two or three speakers were bold enough to suggest that there was something political about this legislation. Maybe the President will veto it but, I personally do not think so. I do not see why he should veto it.

This bill does not increase acreage, it does not increase price supports, it does not do anything that is going to be harmful to the consumer. By this law we are adopting the figures and calculations made by Mr. Benson in 1957. Certainly the farm income in 1957 was not too high, but it will go substantially lower than the 1957 level if we do not pass the pending resolution.

I do not believe there is a man over there that would urge the President to veto this joint resolution. I do not think a member of our committee would urge the President to veto it, because they know that it is fair and reasonable. What is to be gained by driving farm income down another half a billion dollars in the current year?

I feel that perhaps an effort will be made to freeze dairy price supports only. What good and logical reason could be advanced to sustain such a motion as that? If there is anything political in this bill it is the dairy section, because a vote for this bill, in fairness, I might say, will have the effect of rescinding Mr. Benson's order.

But we have been led to believe that the President even now perhaps has under consideration a modification of the order which Mr. Benson put into effect on April 1 if no action is taken either by the White House or the Congress.

The Senate has passed a permanent bill. I understand some Members may object to it, but I do not see how anybody can take any reasonable objection to the one-year freeze in the resolution now before the House. It does not prevent the Secretary from increasing price supports if he determines that price supports should be increased, but it prevents him from lowering price supports during the current year, and it would have the effect of preventing a reduction in acreage programs on the 1959 crops.

I urge Members of the House to adopt the resolution.

The CHAIRMAN. The time of the gentleman from North Carolina has expired, all time for general debate has expired.

The Clerk will read.

The Clerk read as follows:

Resolved, etc., That in order to prevent reductions in support prices or acreage allotments prior to consideration by Congress of such changes in the price support and acreage allotment laws as may be necessary at this time—

(1) the support price (in terms of dollars and cents) for any agricultural commodity, except tobacco, shall not be less than that available for such commodity during the marketing year or season which began in 1957; and

(2) the total acreage allotted for any agricultural commodity, except tobacco, shall not be less than that allotted for the 1957 crop of such commodity, and sections 302, 303, and 304 of the Agricultural Act of 1956 (relating to minimum National, State, and farm acreage allotments for 1957 and 1958) shall be extended to apply to each crop of upland cotton and rice, respectively, to which this resolution is applicable.

This resolution shall be effective only until such time as Congress shall make other provision for price supports and acreage allotments and provide for the repeal of this resolution. Nothing in this resolution shall be construed to repeal or modify any law enacted in the second session of the Eighty-fifth Congress or to require price support to be made available if marketing quotas have been disapproved by producers, or to non-cooperators in the case of any basic agricultural commodity.

The CHAIRMAN. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: Page 2, line 9, after the words "This resolution shall be effective" strike out the rest of the sentence including the period on line 12 and insert: ", with respect to price supports, only for the marketing year or season which begins in 1958 and, with respect to acreage allotments, through 1959 crops."

Mr. MATTHEWS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the purpose of the bill we are now discussing, of course, is to interpose a 1-year stay of further support prices or acreage-allotment reductions.

This purpose, briefly, is to put \$500 million more in the hands of the American farmers. I am not satisfied with the program that we have for the American farmer and I know that none of you are satisfied with the program. I want at this time to pay tribute to my colleagues on both sides of the aisle for patiently striving to bring to the House before long a program that we hope will better solve the program of the American farmer. But, this, Mr. Chairman, in my opinion, is an essential stopgap measure, and I sincerely hope it is approved by an overwhelming majority.

The distinguished gentleman on the other side of the aisle a few moments ago continued to stress the fact that this is a fight between the consumers in the great American cities and the farmers in other parts of this Republic. I do not know facts that could be presented any more clearly than have been presented on this particular subject by the gentleman from Oklahoma [Mr. ALBERT], who said that in 1952 when wheat was supported at 90 percent of parity a loaf of bread cost 16 cents; whereas, in 1957, wheat was supported at 79.7 percent of parity and a loaf of bread cost 18.8 cents.

Secretary Benson himself has said there is no direct relationship between the so-called price-supported commodities and the price that the consumer has to pay in the market place.

Now, if it does not make sense, please look at the facts and you can deduce no other conclusion. Several years ago the House Committee on Agriculture presented a study wherein it was stated that a \$3.95 cotton shirt represented only 30 cents to the farmer who raised the cotton; and a peanut candy bar costing 5 cents had only one-half cent's worth of peanuts in it. In other words, it would seem as though you could give some of these commodities away and it would not make any difference in the price to the consumer. And, strange as it may seem, that is entirely borne out by the facts in the case.

I have the feeling that in a few minutes, as has already been indicated, an effort is going to be made to put one group of farmers against another group of farmers. I have a suspicion that someone is going to get a little idea that somebody else is going to get more than the other fellow. I must say to my friends that whatever action is taken, all those affected in any farm commodity group should be treated alike or we will have no farm program.

Let me suggest a few of these farm programs that we have which are helpful to all segments of our farm economy: First, section 32 funds; \$216 million available last year, to help farmers who did not produce the basic crops; second, marketing-quota programs; third, agricultural research, in the amount of \$135 million; fourth, the great Forest Service program amounting to \$123 million; fifth, marketing service programs which totaled \$130 million; and, sixth, the conservation reserve program which cost \$162 million. Then there is the sugar program, the wool program, and I could go on and on and end up with the great dairy program, by means of which we are feeding millions of children and needy people. We are spending millions of dollars a year on this great program for the American consumer, and I know this program is of great aid to the dairy farmer.

I want to say, Mr. Chairman, we must present a united program. I sincerely hope that our great statesmen on the left are not going to try to tear us apart and to suggest one program that will tend to make others in other parts of the farm-producing sections oppose that particular program.

I would like to take a few moments to point out that these programs help all of our people. As I pointed out a few moments ago, through Public Law 480, 3,600,000 needy families, 1,388,000 people in charitable institutions, and 13 million schoolchildren are being fed. If that is not aid to the consumer, I do not know what aid we might consider.

I think, finally, we should stress the fact that the cost of our farm programs has been greatly exaggerated. We hear that the farm program last year cost \$5 billion. Over one-half billion dollars of that amount represents loans to the REA and FHA, which will be repaid by our farmers. At least \$2 billion

represents other items which should not be charged to the American farmer.

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

Mr. Chairman, I endorse a price-support level of at least \$3.25 per hundred-weight for manufacturing milk with a butterfat content of 3.95 (national average) until a permanent producer-financed and operated self-help dairy stabilization program can be effectuated. I have introduced legislation which will give farmers throughout the United States an opportunity to vote on a new self-help dairy stabilization program. The authority to conduct such a milk producers' referendum is contained in H. R. 10060 introduced by me on January 16, 1958. I am hopeful that this legislation will be reported to the Congress for action during this 2d session of the 85th Congress.

I shall vote to maintain the price support level of \$3.25 which is contained in this bill we are considering this afternoon. I do this not as a permanent solution to our dairy problem but only as a stopgap action on the part of this Congress to give dairy farmers the opportunity to have a referendum on a new program.

Milk is produced in every State in the United States. It must be harvested twice a day and must go to market at least every other day. Milk producers have adopted new production procedures to reduce costs and improve quality. Milk must be produced in sufficient volume to supply adequate consumer needs. In order to do this every day of the year a ready reserve is needed.

During the past 9 years, the so-called surplus has ranged from a high of 8 percent in 1953 to less than 1 percent in 1951 of the total annual milk production. Even though the surplus has been small, it has set the floor and ceiling on our manufacturing milk prices. All surplus class I milk has been dumped into cheese, butter, and powder. This has had a tremendous impact on the Wisconsin dairy farmer in view of the fact that 84 percent of his milk has no market within the State boundaries of Wisconsin and must move out mainly in the form of manufactured dairy products.

The dairy-processing industry employs over 300,000 people. Retail sales amount to about \$10 billion annually. Dairy accounts for over 20 percent of the total agricultural income of our Nation.

While support prices have been reduced since 1954 and are about to be reduced further, dairy farm costs are increasing. The increased cost of production in 1957, compared to 1947-49 averaged 14 percent. Taxes, labor, and machinery are up. Feed and livestock down. Further support reduction will aggravate this cost situation.

The reduction in supports to \$3.02 will take an additional \$250 million annually from producer income. These reductions can only result in drastically reduced consumption for industrial products. The proposal to authorize the Secretary to reduce support levels to 60 percent of parity could lower producers' annual income from present levels by \$1 billion. It has been estimated that milk

producers in the State of Wisconsin stand to lose \$40 million in the reduction from \$3.25 to \$3.02. They would lose about \$114 million in a reduction from the present level to 60 percent of parity.

In addition to favoring a support level of at least \$3.25, I support proposals to adopt a base period for calculating the parity equivalent formula which reflects a free market period—namely, July 1946 through December 1948. During this period, there were no support purchase programs and no national emergencies. Although these proposals would result in a modest increase in the support level for manufacturing milk, we would only be holding our own income position in an expanding economy.

The United States Department of Agriculture has estimated that the dairy stabilization program for products acquired during fiscal 1957 carried a net cost of \$228,350,000. But in that figure is a specific appropriation by Congress of \$56,572,000 for the special school milk program. Another item included is that of \$14,415,000 for donations to other nations on behalf of the American people to relieve famine or other emergencies. This cost should not be charged against the dairy support program. One other item includes \$41,500,000 for the removal of surplus agricultural commodities. The funds for this is obligated under section 32 customs duties and should not be charged to dairy supports. Taking these items into consideration reduces the 1957 fiscal year cost to \$115,738,000 as compared with the reported figure of \$228,350,000.

Mr. Chairman, in this morning's mail I received the following letter which I would like to read into the RECORD at this point, from Mr. Curtis Hatch, president of the Wisconsin Farm Bureau Federation:

WISCONSIN FARM BUREAU FEDERATION,
March 18, 1958.

The Honorable MELVIN R. LAIRD,
The House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN LAIRD: Enclosed is a resolution adopted by our board of directors to clarify our position with regard to a dairy program.

Sincerely,

CURTIS HATCH,
President.

The enclosed resolution reads as follows:

RESOLUTION REGARDING A NATIONAL DAIRY PROGRAM AS ADOPTED BY THE WISCONSIN FARM BUREAU BOARD OF DIRECTORS AT MADISON, MARCH 11, 1958

Recently there have been a number of inquiries regarding the position of the Wisconsin Farm Bureau on legislation before Congress for a new dairy program.

On December 18, 1957, this organization adopted a program for the effective solution of the current dairy problem, the essential features of which were:

1. Maintenance of 1957 dairy support levels until a new program is perfected.
2. Creation of a new farm bank program to take entire farms out of production.
3. Free movement of concentrated fresh and concentrated sterile milk in trade as grocery store items.
4. Elimination of trade barriers, and
5. Expansion of foreign markets.

We give this program, with particular emphasis on point No. 2, our unqualified support, in the belief that its enactment

and proper administration will (a) balance production and consumption, and thereby, (b) make other legislation unnecessary.

In view of this policy and these beliefs, we feel all efforts should be bent to bring about enactment of this program.

If such a program cannot be enacted, we believe dairy farmers should have the opportunity to determine whether, as an alternative, they wish to have a self-help program, such as is provided for in H. R. 10060.

But we (1) insist that the specific provision for a referendum with voting on an individual basis be retained as presently provided for in said H. R. 10060, and (2) emphasize that it is our absolute obligation and duty to point out the dangers as well as the merits of any legislation which may be proposed.

I appreciate the support of the Wisconsin Farm Bureau favoring a referendum on a self-help dairy stabilization program. I shall continue my efforts to see that legislation providing for such a referendum is enacted by this Congress.

For the benefit of those Members of the House who like myself came from dairy districts I know their people will want to know at what level feed grain has been frozen—soybeans, from which soybean meal comes, are frozen at a minimum of 70 percent of parity. Cottonseed and flaxseed, on which we depend for protein, are frozen at 65 percent. Barley, oats, and sorghum grain are frozen at 70 percent. Corn that is grown under allotment, is guaranteed 77 percent. But that is not where we get our corn for dairy feeds. We get it from noncompliance acreage and noncommercial areas. Corn in the noncommercial area is frozen at 70 percent of parity.

THE MILK PRODUCER NEEDS A NEW DAIRY PROGRAM

We know that milk is the basis of the most important of family foods known to man. Nutritionists agree that consumption of milk and milk products in this, the world's richest country, is not at a level which is commensurate with good health. In this 20th century we have seen advertising sales promotion of less healthful substitutes and soft drinks outdistance dairy products by as much as 2,000 percent. We all admit that milk and its products have not been satisfactorily sold to the American consumer.

FOUR MAJOR FACTS FACING DAIRY FARMER

We must face major facts as we look at the dairy industry today. The first and most basic one is that the dairy industry will be sick, regardless of the level of Government supports, just as long as the production of milk and its products outpace consumption. It is axiomatic that milk surpluses, no matter who stores them, act as a depressing influence upon the farmer's price for milk.

The major problem is bringing production and consumption into balance, and then we must go on and face other facts which are part and parcel of a sound program for the future.

Second, Government alone cannot bring permanent prosperity to the dairy industry. It can help or it can harm. The program should stress helpful rather than harmful actions by the Government. The 1949 dairy price support law under which we have operated for 8

years is not the type of Government program that helps the dairy farmer, but merely adds to his problems.

Third, the dairy problem can be met partially by increasing efficiency on many of our dairy farms which means higher volume at lower cost.

Fourth, the greatest help to the dairy farmer lies in the field of increasing per capita consumption of milk and its products. This responsibility lies principally with the dairy industry itself.

NINETEEN HUNDRED AND FORTY-NINE DAIRY SUPPORT LAW DOES NOT HELP FARMER

Let us look at the 1949 dairy support law which has been in effect for these past 8 years. This program as enacted by the Congress in 1949 was designed to protect the dairy farmers' income. The experience of these past 8 years has shown that it gives the greatest amount of protection to the dairy plant operators, assemblers and middlemen. With the Commodity Credit Corporation standing ready to buy top quality cheese, butter and powder to remove surplus milk production from the marketplace, you find that the real incentive for most processors to sell their products in the marketplace has been almost destroyed. You find the best quality manufactured dairy products being channeled into Government warehouses.

Milk is not like wheat, cotton, peanuts, corn, rice and tobacco. These so-called basic agricultural commodities can be loaned on, or purchased by the CCC in the form in which they are produced by the farmer. Milk to be purchased under a support program must be processed into a storable form. This processing is done away from the farm and for that reason the Commodity Credit Corporation, under the 1949 Agricultural Act, must support dairy products through a middleman. This 1949 purchase program has done almost as much to destroy dairy markets as the action which allowed colored substitutes to be shipped in interstate commerce.

The manufacturers of dairy products have not increased sales staffs in the proportion to the sales promotion work which has been done by other sections of industry. The plant operator is in a position where he can always sell to Uncle Sam without lifting a finger as far as sales promotion is concerned. This lack of sales promotion is the direct result of a program in which Uncle Sam stands ready to buy dairy products at a fixed price.

The 1949 dairy support law also has shown that milk production cannot be effectively controlled through the use of its variable support levels.

THREE ALTERNATIVES ARE AVAILABLE TO CONGRESS

The 1958 session of the Congress is indeed a critical session for the future of America's dairy farmer. The facts clearly show that a new dairy program is absolutely essential and vital. There are three alternatives which are open to milk producers.

First. Remove all price supports and let prices fall where they will clear the market. This would tend to squeeze out farmers with low producing cows and high costs of milk production. This

course of action if taken without due notice would put the entire dairy industry in complete chaos for several years and tend to further promote restrictive local milk marketing regulations throughout the country.

Second. Adopt the subsidy payments plan through which farmers would receive direct payments from the Government. These payments would make up the difference between a low free market price and a given percentage of parity. This type of program would further discriminate against those areas of the country producing milk for manufactured dairy products. This alternative would call for the strictest type of milk production controls and would be disastrous to future dairy sales promotion efforts by establishing an unrealistic sales price for dairy products in the marketplace. This type of program would make Uncle Sam the master of every milkhouse in the United States. Dairy products are currently the best food buy in America today. Today the American consumer can buy over three times as much in dairy products for the same hour of labor as he could purchase prior to World War II. The facts are that substitute manufacturers will always be able to cut their prices. They will demand the same type of treatment from the Government in the marketplace; therefore always will be in an advantageous position to compete with dairy products if price was the only consideration. Milk producers have the best product, but the present dairy price-support program has destroyed the incentive for selling it.

Third. Milk producers throughout the United States have within their grasp the third alternative which is the most realistic in its approach and will provide the dairy farmer with the brightest future. I refer, of course, to a self-help dairy stabilization program. This self-help program is an amended version of the original dairy program recommended by the National Milk Producers Federation 2 years ago.

Through conferences which began in my Congressional office in Washington, a national dairy committee was set up under the sponsorship of the National Grange and the National Milk Producers Federation. Outstanding dairy leaders throughout the United States served on this committee. The results of their meetings over a 2-year period convinced them that the legislation which I introduced on January 16, 1958, H. R. 10060, offers the best hope to our Nation's milk producers for a bright dairy future.

In Wisconsin I have made every effort to get dairy groups together behind a single program. Only through unity on the part of farmers and farm organizations themselves can we meet with success in securing the necessary legislation for a new program. I have asked dairy farmers and farm organizations to submit to me their suggested changes in H. R. 10060 as introduced.

PRINCIPAL PROVISIONS OF THE NEW SELF-HELP DAIRY STABILIZATION PROGRAM

First. The principal provision provides for a referendum of milk producers which would be conducted by the Secretary of Agriculture on September 8, 1958,

to determine whether dairy farmers favor a dairy-stabilization program operated by a Federal Dairy Stabilization Board in accordance with the provisions of the act, or continuation of the present type of price-support program operated by the Secretary. If a majority of producers voting favored the dairy-stabilization program, it would go into effect April 1, 1959.

Second. A comprehensive, national dairy policy would be established, commensurate with the importance of dairying in the national economy.

Third. As a part of the policy declaration, the criteria for price stabilization would include not only an assurance of adequate supplies of milk and dairy products for consumers, but a fair return to producers, taking into consideration investment, risk, and the labor of the producer and his family.

Fourth. The dairy stabilization program will be run by dairy farmers themselves through a Dairy Stabilization Board made up of 15 members selected by dairy farmers. At least 11 of the members must actually be engaged in the production of milk.

Fifth. The Stabilization Board would support milk and butterfat prices to producers at levels to be established and announced annually by the Board. The minimum price for milk used in manufactured dairy products would be \$3.86 per hundredweight at national average butterfat content.

Sixth. The Stabilization Board would buy and sell domestically produced milk, butter, cheddar cheese, nonfat dry milk solids, and other dairy products at such prices and in such manner as would enable it to stabilize prices to producers at the established levels and avoid disruption of regular commercial marketing channels.

Seventh. The program will be financed by a single assessment of not to exceed 25 cents per hundredweight on all milk and butterfat marketed. Whenever the total cost of operating the stabilization program requires an assessment of more than 25 cents per hundredweight of milk, then an alternative method would be used employing a nominal assessment below 25 cents on all milk and butterfat marketed, plus a supplemental assessment on all surplus milk marketed by individual producers through a base-surplus or two-price program.

Eighth. For the marketing year beginning April 1, 1959, prices of milk and butterfat would be supported at 90 percent of parity, using the manufacturing milk parity equivalent formula originally used under the Agricultural Act of 1949, and the marketing assessment to producers would be 25 cents per hundredweight of milk or milk equivalent. Thereafter, decisions with respect to price support levels, the use of marketing bases, and the amount of marketing assessment or assessments would be made annually by the Board.

Ninth. All dairy marketing assessments withheld from money otherwise due milk producers would be remitted by processors or handlers to the Commissioner of Internal Revenue. Returns would be filed and remittances

made monthly in accordance with rules prescribed by the Commissioner.

Tenth. The proposal provides a strong incentive for farmers to produce for the effective domestic market at a fair price.

Eleventh. Provides a stimulant for increased dairy sales activities.

Twelfth. Rewards and places a premium on efficiency in milk production.

Thirteenth. Provides an insulation against diverted and Soil Bank acres being dumped from the basic commodities through the establishment of a base in accordance with the production records of existing milk producers.

Fourteenth. Provides no subsidy on surplus for export, thus is far less objectionable than the present price-support program or the so-called direct-payment program when viewed solely as to its effects on our foreign relations and foreign trade.

Fifteenth. This program does not condition the consumer to unrealistic low prices for dairy products which in the long run could prove disastrous.

Sixteenth. Provides the same financial advantage provided by the original self-help bill advocated by the National Milk Producers Federation, but places major cost on the producer of surplus milk rather than on the producers of all milk. The only cost assessed to all milk would be the handling and assembly cost which could be met by the small fixed stabilization fee, which under the terms of my bill could never exceed 25 cents per hundredweight on milk used in the domestic market. This year 96 percent of United States milk production was used in the domestic market.

Seventeenth. This program will save the Federal taxpayers over \$300 million a year and is the first important step in getting the Federal Government out of the dairy business.

HOW DAIRY STABILIZATION PROGRAM OPERATES

If the costs of administering the dairy stabilization program are estimated to exceed the 25 cents dairy stabilization fee in the opinion of the Dairy Stabilization Board, the two-price or base surplus feature of this legislation would go into effect by order of the Board.

The Dairy Stabilization Board would, immediately prior to each marketing quarter, publish a market-surplus ratio. At the present time this ratio would be approximately 96 percent market and 4 percent surplus. In other words, there would be a domestic market for about 96 percent of the national production, if the current rate of production is continued.

Let us assume for the moment that Mr. Processor operates a plant in Wisconsin and Mr. Farmer is shipping to Mr. Processor's plant. The Dairy Stabilization Board has published the ratio for the coming quarter. At the same time the Dairy Stabilization Board announces that all it can get for its surplus milk in disposal operations—relief-foreign trade-industrial use and livestock feed—is approximately \$1 per hundred. That then will be the surplus price for the coming quarter.

At the same time, the Dairy Stabilization Board announces that it will sup-

port the domestic market price of dairy products at 100 percent of parity. Let us, for example, assume that the support of manufactured dairy products at 100 percent of parity, means that you would receive in the free market in Wisconsin about \$4 a hundred, for milk. Now let us go to Mr. Farmer's farm. Let us assume that for the past 3 years he has averaged to market 30,000 pounds of milk each month. Mr. Farmer's market for the month of January 1958 will be 96 percent of the 30,000 pounds, or 28,800 pounds. Only on that much milk will he be supported at 100 percent of parity level, or in Wisconsin, \$4 a hundred. Any milk he produces over 28,800 pounds will be paid for at the surplus rate of \$1 a hundred.

So, if Mr. Farmer produces at the same rate as he did last year, he would have 1,200 pounds for which he would receive \$1 per hundred. Naturally he would probably keep that milk on the farm and feed it to his calves or cut out some of his low producing cows rather than produce at that rate of return.

Obviously if we were to stop here there would be an opportunity for Mr. Processor's dairy plant to make a substantial financial killing. No one would accept that proposal. When Mr. Farmer is paid \$4 a hundred for 28,800 pounds, however, and only \$1 a hundred for any surplus milk he produced, Mr. Processor would stand to gain \$3 a hundred on the surplus milk. At the same time the Dairy Stabilization Board would be losing about \$3 a hundred in the purchase of milk and its disposal. It would mean that Mr. Processor's dairy plant then would divide his payment on the surplus milk between the dairy farmers and the Dairy Stabilization Board. Mr. Processor's dairy would actually pay at least \$4 a hundred for every drop of milk it received, but for surplus milk the dairy plant would pay \$1 to the farmer and \$3 to the Dairy Stabilization Board to underwrite the disposition of surplus milk. The dairy plant could do anything it wanted with this milk because actually it paid \$4 a hundred for all its milk, which was the minimum market price in Wisconsin.

DAIRY STABILIZATION PROGRAM INSURES BRIGHT FUTURE

The Dairy Stabilization Board would guarantee dairy farmers a minimum price of \$3.86 for all milk sold for domestic consumption. All surplus milk would be paid for at not to exceed the actual disposal price on foreign markets, in industry or in feeds, and so forth. Milk producers would be assigned a base quota arrived at on the basis of his average production during the preceding 3-year period. The national quota would be determined on the basis of milk needed for domestic consumption in any given year. If this plan would have been in effect during the current marketing year, each milk producer in the United States would have received a minimum of \$3.86 for 96 percent of the milk he produced. On the amount of milk produced over and above his base or quota, the dairy farmer would receive a price determined

by the Dairy Stabilization Board to be the price at which it could dispose of surplus milk production.

Two years ago the Dairy Subcommittee of the House Agriculture Committee conducted hearings in Minnesota and Wisconsin, and 22 separate proposals were made by dairy groups. The confusion which confronted the Dairy Subcommittee cannot be continued. The 1949 dairy support law under which we have operated these past 8 years is clearly not the answer.

Mr. Chairman, I repeat again, if we are to maintain the family dairy farm in the areas of our Nation which have historically produced our milk; if we are truly desirous of alleviating the cost-price squeeze in which milk producers are currently caught, this self-help dairy stabilization program must be adopted as the best insurance policy that has been offered for a bright dairy future.

Mr. Chairman, I shall vote for Senate Joint Resolution 162, because I believe, as does the Wisconsin Farm Bureau, Wisconsin Pure Milk Products Cooperative, Wisconsin Council of Agriculture, the Wisconsin Farmers Union, the Wisconsin Creamery Association, and all farm organizations in Wisconsin, that it is necessary for us to maintain the present price-support levels for another year so that we will have this year to lay the groundwork in establishing a new dairy program to benefit our Nation's milk producers. It is imperative that farmers be given an opportunity to vote on a new dairy program in this year 1958.

Mr. COOLEY. Mr. Chairman, I think it would be well for us to have a vote on the committee amendment to which I think there is no objection, and I ask for a vote on the amendment.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

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

The Clerk read as follows:

Amendment offered by Mr. HAGEN: On page 2, lines 5 through 10 after "commodity" strike out "and sections 302, 303, and 304 of the Agricultural Act of 1956 (relating to minimum National, State, and farm acreage allotments for 1957 and 1958) shall be extended to apply to each crop of upland cotton and rice, respectively, to which this resolution is applicable." And on page 2, line 5 after "commodity" insert a period.

Mr. HAGEN. Mr. Chairman, this resolution was the subject of a somewhat amusing and not very productive discussion in our committee. There were no witnesses heard either from the Department or from these various commodity groups which are affected by this resolution. There are over 20 groups which are affected.

In preliminary background for my amendment I would just like to point out certain things. I think this Congress has to face up to the fact that we have two kinds of a farm problem in this country. According to the figures of the United States census, there are 4,800,000 farms in the United States. Of those farms which produce sales of commodities worth \$2,500 or over there are

only 2,100,000, and they produce 90 percent of all the farm products produced in the United States. The remaining 2,700,000 farms, which produce products worth less than \$2,500 per year in annual gross product, produce only 10 percent of the total farm product in the United States.

I think it is time that when we draft a farm program we decide whose interests we are looking after, those farmers who produce 90 percent of the food and fiber for our population or those farmers who produce only 10 percent of the food and fiber for our population. In the latter instance we certainly need some kind of a special relief program, but it should not be obtained by tinkering around with these various commodities to the disadvantage of that farm population which produces 90 percent of our product.

There has been a lot of talk about our disappearing farm population. In our recent history the only time that our farm population has increased has been during a period of depression. As the country becomes increasingly prosperous our farm population increasingly declines. There has been, I might add, a continuous decrease in our farm population since the year 1935. There is nothing at all unusual about that. The size of our farms has grown larger as the technology has improved.

With respect to this particular proposal, which deals with over 20 commodities, there was no evidence taken, as I have said, to know what the wish of the growers or producers of each of these commodities is with respect to this legislation. I know that it affects rice. It is my recollection that the desire of the California ricegrowers is to have a reasonable price support and have more acreage. This proposal raises the support level for California rice, so I would assume that this measure is objectionable to the California ricegrowers. This is an example for treating each of these commodities separately in resolutions of this kind.

To get more specifically to my amendment, I would strike out of this resolution a proviso which would extend into 1959 a special increase in the national acreage allotment of cotton of some 194,000 acres. These acres will go to this group of farmers who produce less than 10 percent of our total production. They are the least efficient farmers in the United States. They are the greatest burden on the farm population and on the Federal Government.

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

Mr. HAGEN. I yield to the gentleman from North Carolina.

Mr. COOLEY. The gentleman has now made it perfectly clear that the purpose of his amendment is to take cotton from the little cottongrower and give it to the big cottongrower.

Mr. HAGEN. In response to the gentleman's question—

Mr. COOLEY. Is not that what the gentleman has just said?

Mr. HAGEN. I am taking it from the so-called 4-acre—

Mr. COOLEY. That is right, the little, inefficient man. The gentleman

is going to bankrupt him in the interest of the big farmer.

Mr. HAGEN. May I say to the gentleman from North Carolina that that man has been bankrupt under over 30 years of farm programs. He is in the same position he has always been in. I should like to devise a program to help him. I really would, but I do not want to devise a program to help him that takes it out of the hide of the small farmer who can make an efficient living on the farm. That is exactly what we are doing by dealings of this kind.

Mr. CANFIELD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the Newark Evening News, of Newark, N. J., last Sunday described the measure now before us as "A direct attack on the pay envelopes of urban consumers."

This newspaper brands as most illogical the arguments of those who call this crop-support freeze an antirecession bill because they are in the main those most vociferous now in demanding income-tax cuts so that consumers will have more money to spend and excise-tax cuts so the prices of manufactured goods can be lowered.

How does the great American Farm Bureau stand on the issue before us? I hold in my hand a telegram sent me 2 days ago by Charles B. Shuman, president of the American Farm Bureau, reading as follows:

Senate Joint Resolution 162, amended, rigidly fixing price supports and acreage allotments, is against the long-time interest of farmers and should not be approved.

The Passaic (N. J.) Herald News in my district, March 15, editorially describes the passage of such a bill as the one now before us as "a defeat for the American public" and holds "a veto by President Eisenhower will certainly be in our national interest."

Mr. Chairman, how can we approve this bill today when we read in the New York Herald Tribune of this very morning that Washington tomorrow morning is expected to announce that consumer prices have reached an alltime high? Yes; I represent a consumer district—one beset by unemployment currently causing real hardship, and yet the proponents of this measure are now asking me to go along with a bill which will cost an estimated \$300 million a year more. Breaking this down into individual districts, they may contend that the cost per district will average only \$700,000. My answer to that is—this is an increased burden that my people simply cannot meet.

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

Mr. CANFIELD. I am glad to yield to my colleague from New Jersey.

Mr. THOMPSON of New Jersey. One thing about this that disturbs me very greatly, is the evidence, which I submit to my distinguished colleague, that food prices are 103 percent of what they were in 1951 and that the farmer's income is down 81 percent of what it was.

Mr. CANFIELD. I am sorry that my friend and colleague from New Jersey was not able to attend the hearings on

this bill—because no hearings were held thereon.

Mr. THOMPSON of New Jersey. I thank the gentleman.

Mr. BROWN of Missouri. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, this amendment would be just another disaster, I fear, for the small farmers of America; and my colleague from southeast Missouri [Mr. JONES] will take good care of it in due time.

I rise to talk right now about the most disturbing thing of all in this debate this afternoon—this pitting of city districts against country districts and consumers against farmers at a time when the very survival of America requires unity.

Let us be honest—you folks who represent city people—let us face some facts. You say you are helping your people by voting against the farmers of America. Well, let me tell you how you are helping them.

Twelve to fifteen percent of American families buy a new car each year. This past fall we did a survey of a cross section of farm families in southwest Missouri. Here is what that survey showed—and mark these words well—anyone of you who has an automobile assembly plant in your district—three-tenths of 1 percent of our farm families bought a new car in 1957. You cannot buy \$3,000 Chevrolets with \$3 milk. You cannot be city prosperous and country broke. It never worked and it never will.

I have seen trade publications recently estimating that automobile manufacturers and dealers lost the sale of hundreds of thousands of automobiles and trucks in 1956 and 1957 in the rural areas of America. Estimates range as high as 500,000 units. Farmers either cannot afford to buy or they are afraid to buy because their faith in the future has been badly shaken. Yet, if we do not pass this resolution and if we do not call a halt to this Benson policy, it may be still more thousands of lost sales on automobiles, steel, appliances, and other consumer goods this year.

This resolution is not in any sense a long-range answer to farm problems, and I do not think anybody pretends that it is. It is not a long-range answer any more than the emergency housing program offers permanent answers to housing problems. This resolution is an attempt to hold whatever ground there is left under American agriculture so that we will have some kind of foundation upon which to rebuild.

To those who feel they must vote against this resolution on principle let me ask: Do you think you are voting against the principle of price supports?

The Benson program is not to eliminate price supports. He likes them so well he even extends them to the non-complying corn farmers, people who did not sign up for them in the first place.

Benson wants price supports, but he wants them on his own terms—high-minded low-priced terms. Low enough to keep the farmers sullen but not low enough to make them openly mutinous.

Your choice is between the low Benson price supports of 1957, or the new low, low Benson price supports of 1958. Which do you think is the worse anti-recession medicine?

If you feel that you are voting against farm surpluses in Government warehouses by voting against this resolution, may I suggest you reconsider. The Government will acquire at least as many if not more dairy products, wheat, and everything else at the new low, low Benson price support 1958 figure than the Government acquired in 1957.

So, do not let anybody fool you into believing that you are voting against food and fiber stockpiles in Government warehouses if you vote against this resolution.

By the way, did you read the interesting stockpile figures that Missouri's STUART SYMINGTON included in the RECORD on March 14 of this year?

Stockpile data on strategic materials and machine tool inventory now in Government storage total \$12.6 billion, and the Kansas City Star says:

The real purpose of this huge expenditure now is to support prices for various industries.

Government food and fiber stockpiles stand at \$5.6 billion plus loan pledges that could run \$1.6 billion maximum. Yet in many quarters, it is sinful to support food and fiber prices by accumulating stockpiles.

But you are not voting for or against Government stockpiles here. Under the Benson low prices of 1957 or the Benson low, low prices of 1958, you will get Government food and fiber acquisitions.

Now, to those who feel they must vote against this resolution because they believe the phony propaganda that Ezra Benson is riding a big white charger in behalf of lower food prices for consumers, let me say this: Mr. Benson knows that lower farm prices do not bring lower food prices.

Look at the dairy industry. Between 1954 and 1957, milk-support prices went down 13.1 percent; but consumer prices went up 9.3 percent on dairy products.

No one can show that the consumer will save a fraction of a penny on a bottle of milk if you reduce dairy support prices to \$3 a hundred. Sooner or later, the transporters, processors, and distributors will absorb the difference.

If Mr. Benson reduces the price of wheat 22 cents a bushel, it won't affect the price of bread three-tenths of a penny. Wheat is only a small portion of the cost of bread.

And, incidentally, if low food prices are essential to prosperity, this Nation must have been really prosperous in 1932, because food prices were never cheaper than then. If that's the kind of prosperity you want, why don't you get food prices really cheap?

How can a man vote for minimum wages for factory workers and deny them to farmers? How can a man vote for stockpiles of metals and machinery to support industry and decry stockpiles of food and fiber? How can a man plead for anti-recession measures in housing, public works, and tax reductions and let Ezra Benson deepen the recession by

driving farm purchasing power still lower?

Even in this era of incredible inconsistency, there must be some retribution for such blatant selfishness.

It is pathetic that the Congress must even consider a measure of this kind. All this time, all this effort, all this struggle not to improve the farm situation, not to get something new and better, but just to keep a bad situation from becoming unbearable. But, it must be done, because we have a Secretary of Agriculture who is hopelessly out of tune with the times—even out of tune with the rest of the President's Cabinet.

Almost everybody agrees now that the American economy is in some stage of ill health. And the good doctors are dragging out the anti-recession remedies.

Over in the Federal Reserve, they are giving the patient lower bank-reserve requirements, lower rediscount rates, and lower margin requirements for investors.

In housing, they are giving the patient lower downpayments and longer terms. Yesterday, this House rushed through an emergency housing program totaling more than \$1 billion.

The Defense Department is being urged to accelerate military construction. The Corps of Engineers is being urged to accelerate authorized public works.

Obviously, the rising unemployment figures have been the "economic sputnik" that may slowly but surely arouse official Washington to action on the recession front.

But not in the Department of Agriculture.

Over there, for some strange reason, Mr. Benson persists in leading the President 180 degrees in the opposite direction of every other department of Government. The Benson anti-recession remedy is the strangest ever prescribed: Lower farm purchasing power, lower farm wages and profits. Today, we have a chance to call a halt to such folly.

Our votes today will be our individual answers to these questions: Do you want farm wages to go down from 43 cents an hour to 35 cents or 33 cents? Do you want to sell still fewer automobiles, less farm machinery, less steel, and fewer home appliances in rural areas?

If so, vote against this resolution.

But let me repeat: No economy can be really healthy on \$3,000 Chevrolets and \$3 milk. You can't be city-prosperous and country-broke.

Let's call a halt to this Benson madness while there is still some semblance of a foundation left on which to rebuild American agriculture. Let's pass this legislation as a stopgap and then proceed immediately with longer range, more constructive action.

Mr. JONES of Missouri. Mr. Chairman, I rise in opposition to the pro forma amendment and rise in opposition to the amendment.

Mr. Chairman, I shall take but a minute on this amendment offered by the gentleman from California [Mr. HAGEN]. I think you believe in fairness and equity. All we are attempting in this bill is to preserve and to see that we do not reduce the price supports on acreage allotments of 1957. If you adopt this

amendment you would take out those people on the small farms who actually need the help; that is what you will do if you do not vote against the amendment.

Mr. Chairman, I yield back the balance of my time.

Mr. DIXON. Mr. Chairman, I move to strike out the last word and rise in support of the Hagen amendment.

Mr. Chairman, our colleague the gentleman from California [Mr. HAGEN] has pointed out very clearly one of the inconsistencies of this maneuver, Senate Resolution 162—I shall not call it an agriculture bill. His cotton farmers have not had even an opportunity to appear or to plead their case before the great House Committee on Agriculture. This measure has been rushed through. We do not know what we are going into if we pass this measure.

They want the price supports lowered to 60 percent so they save their growing market and sell their cotton as Secretary Benson recommends. They want more acres.

This shows up very plainly the inconsistency in this freeze order, and also why we should have given people such as those represented by the gentleman from California [Mr. HAGEN] a chance to present their case.

We have the anomaly where the commodities that have received the most help, wheat and cotton, are in the worst condition, and those that are in the best condition receiving almost no help at all. Why cause them still more grief by giving them more of the same thing that is ruining their industry?

With regard to this being more or less a measure to help the farmer, the farmers we want to help the most will receive very little help because three-fifths of all the farmers produce only 9 percent of all our commodities. Ninety-one percent of this aid will go to the big people who do not need it. That is why I say it is a case of the Swiss cheese having the ventilation but the Limburger cheese that needs it.

If we want to do something to help the small farmers we should consider further the proposition advanced by the gentleman from New York [Mr. ANFUSO], the food-stamp plan, or something similar to it. Then we will get rid of our surpluses and help the people who need help.

In that way we will eat up the surpluses and save the farmers' market and prices.

If we take a little time, we can bring out something much better than this maneuver which has been rushed to the floor for consideration. We have our committees that have been working and are doing a good job and they will report something much better than this resolution.

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

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

Mr. HAGEN. With reference to my amendment, this proposal would continue the minimum acreage allotment for cotton for the year 1959. The effect of my amendment is to strike out 194,000 acres of production which was added by these

special provisions. It would tend to refute the possibilities of piling up surpluses.

Mr. DIXON. That would ruin your market like the freeze order would ruin the market in other commodities. If we take a little more time and have confidence in our committees, we might come out with something better.

It reminds me of Mark Twain and Harrison in their "Tramp Abroad." They trained, they bought special shoes, they took special diets, and purchased special clothing for the hike. When they got up at sunrise on the day set to start they felt so fit that they were sorry that they had only one continent to cross. But as they were walking through the park they heard the continental train whistle. They ran and caught the train.

That is what we are doing in our committee. These fine subcommittees were working out something acceptable, but all of a sudden we junk what they are doing and rush into this ill-advised maneuver to put everything in a deep freeze.

Mr. DORN of New York. Mr. Chairman, will the gentleman yield?

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

Mr. DORN of New York. Mr. Chairman, I want to endorse the sentiments as expressed by the gentleman from Utah.

Mr. Chairman, I would like to speak further from the point of view of the city dweller.

Since the enactment of the price support legislation during the New Deal days, the people of my district have literally paid out of their pockets millions of dollars to make sure the farmers of the country received high prices for their produce. The legislation under consideration today would perpetuate this assurance.

While I realize that it is not always possible to measure individual return from a Federal program, I would still like to know that my tax dollars are being spent wisely in promoting the welfare of others. In the case of the farm support program, I have no such assurance.

On the contrary, these farm programs over the years have returned nothing to the taxpayer except higher prices on the food he buys.

A wage earner making \$6,000 a year, for example, shells out \$11.49 every year to support the price of wheat. In return, he gets nothing except a higher price tag on the bread he buys—roughly \$20 a year higher than otherwise. To support all the agricultural programs, including wheat, he pays out more than \$56 a year. A person making between \$8,000 and \$10,000 a year pays out about \$130 annually for farm support programs and gets higher prices in return.

I would be all for freezing farm price supports at the 1957 level, Mr. Speaker, if we could at the same time freeze the prices the consumer pays in the market place at the 1957 level. Otherwise, I will be forced to vote against this legislation.

LEGISLATIVE PROGRAM

Mr. MARTIN. Mr. Chairman, I move to strike the requisite number of words in order to ask the majority leader what the program for the balance of this week

will be and what the program for next week will be.

Mr. McCORMACK. Mr. Chairman, if this bill is disposed of today, we will go over until Monday.

The program for next week follows: Monday is District Day, but I am informed there are no bills to be called up for consideration.

Then there will be the bill H. R. 11470, the military pay raise bill.

On Tuesday, Wednesday, Thursday, and Friday there will be considered the independent offices appropriation bill, and H. R. 8290, the Freedom Monument matter.

I understand that on Thursday the Labor and Health, Education, and Welfare appropriation bill will be brought up for consideration.

There are the usual reservations that conference reports may be brought up at any time, and any further program will be announced.

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

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

Mr. ARENDS. I spoke to the gentleman from Texas [Mr. KILDAY] about the military pay raise bill that will come up on Monday for general debate.

Mr. McCORMACK. Yes.

Mr. ARENDS. I got the impression from him that we would have general debate only on Monday, and if a rollcall were demanded that would go over until Tuesday.

Mr. McCORMACK. There may have been some talk that if there is a rollcall it will go over until Tuesday. I heard something about that myself, and it is perfectly agreeable to me if it is agreeable to the gentleman from Massachusetts.

We have an appropriation bill coming up on Tuesday, and I think we should go right along with the pay raise bill. Of course, if it is not finished on Monday, it will continue on Tuesday, and the appropriation bill will follow. Is it agreeable to the gentleman from Massachusetts that if there are any rollcalls on Monday they can go over until Tuesday?

Mr. MARTIN. That is all right with me, but I do not think there is any need for a rollcall if we are all in favor of it.

Mr. McCORMACK. I agree with the gentleman.

Mr. BREEDING. Mr. Chairman, I rise in opposition to the pending amendment.

Mr. Chairman, it is a distinct privilege for me to be here and to join with my distinguished colleagues in support of Senate Joint Resolution 162. I am opposed to the pending amendment because I think it would defeat the purpose of Senate Joint Resolution 162.

Mr. Chairman, I favor strongly the passage of this Senate-approved resolution, Senate Joint Resolution 162, which would have the effect of holding agricultural price-support levels for 1958 at a point no lower than those in operation during 1957. The measure, in addition, would freeze acreage allotments for 1959 at 1958 levels.

I have said repeatedly, Mr. Chairman, that I, as a farm State representative,

want no part of the Secretary of Agriculture sliding scale of parity, particularly when he wants to slide all the way down to 60 percent.

I find it inconceivable, Mr. Chairman, that in the face of an across-the-board economic recession, with which this country is currently plagued, Mr. Benson would want to further squeeze the income of so large a segment of our national economy. I am referring specifically to the Nation's farmer.

Only this very morning, the respected New York Herald Tribune carried a front page story which spotlighted the continuing climb in unemployment figures, and continually climbing living costs.

We must hold the line somewhere, Mr. Speaker. The marginal farmer is being forced off the farm and into the city; people engaged in the basic pursuit of farming are being driven off their farms primarily because of an economic squeeze caused by the heavy prices they are compelled to pay as compared to the light prices they receive. The farmer is buying his necessities at prices which are approximately 125 to 140 percent of parity, while Secretary Benson, and this administration, advocate dropping agricultural price supports to a low of 60 percent.

It just does not make sense, Mr. Speaker. While the Congress is being deluged with legislative proposals and programs designed to offset this present national economic slump by providing increased purchasing power for the consumer, we, from the farm areas of the country, are being forced to fight not only for increased spending power and income but to keep what we have from being taken away from us.

Permit me to say, Mr. Speaker, that I find the administration's antirecession course of action totally confusing, especially in its approach to the economic relief of our agricultural population. Indeed, there appears to be no farm-relief course of action at all.

The Congress and, I presume, the White House both are considering proposals to expand the highway construction program, to extend jobless benefit payments, to increase local and Federal public works projects, among other emergency programs. The House, only yesterday, passed with extraordinary speed, an almost \$2 billion home-building measure. We are constantly pouring funds into the Defense Establishment. Yet, when it comes to the farmer, we find Mr. Benson, and this administration, standing firm in their resolve to cut the farmer's income by lowering price supports 15 percent below its present base level.

I would say, let's approve this temporary hold-the-line resolution until we can devise a better method for relieving the economic plight of the farmer.

Further I would like to say, it has been mentioned here today that this resolution, if adopted, would guarantee the wheat farmers of America \$222 million more income. For the life of me I cannot see how anyone who lives in a wheat area would not support such a resolution, especially because of the fact that for 5 long years we have been going

down with the price of wheat. Certainly we cannot go any further.

Mr. ANDERSON of Montana. Mr. Chairman, will the gentleman yield?

Mr. BREEDING. I yield to the gentleman.

Mr. ANDERSON of Montana. Mr. Chairman, I want to compliment the gentleman from Kansas [Mr. BREEDING] on the fine way in which he is representing the people of his great wheat-growing district. I want to associate myself with him in his remarks in view of the fact that the gentleman from Kansas represents the only other district in the United States that can compare with my own eastern district of Montana in wheat acreage. Today and every day the gentleman from Kansas [Mr. BREEDING] is doing a great job for Kansas.

I would like to suggest to those who are saying that we should not approve this resolution because of a possible Presidential veto, that if the commentators have correctly reported certain Republican conferences then the gentlemen on the other side of the aisle themselves expect that after the people get through expressing their opinion of Benson and the Republican farm policy at the polls in 1960 they will probably have enough votes to override the President's veto.

Mr. BREEDING. Mr. Chairman, I thank the gentleman.

Mrs. PFOST. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the Record.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Idaho?

There was no objection.

Mrs. PFOST. Mr. Chairman, I have asked for this time to call to the attention of some of the Members facts which they may be overlooking in the debate on the resolution to freeze farm price supports and acreage allotments at 1957 levels.

Some Members representing urban areas seem concerned that freezing price supports might raise the price of food to the consumers. This, of course, is not the case.

The cost of food is up almost 2 percent over 1952—but farm income is down 20 percent. Any increases in the cost of food have not been going into the farmer's pockets—you may be sure of that.

The farmer's share of the food dollar has been dropping steadily. It was 47 percent in 1952, and it is down now to 39 percent. The packers, the processors, and the chain retailers get most of the rest of that dollar. Even they have ceased to try to blame the farmers for high food costs.

Some of them have been making stratospheric profits.

Borden Co., for example, reported profits, after taxes, of \$17.6 million in 1952; in 1956, the company made \$23.6 million. This is a \$6 million increase in 4 years—in other words, an increase of 33.8 percent.

Yet in the 2 years following Secretary of Agriculture Benson's order dropping dairy price supports from 90 to 75 percent of parity—that is, between April 1, 1954, and April 1, 1956, milk producers

in my State of Idaho lost \$14 million. In addition, the value of dairy cows in the State declined about \$18 million.

In 1956, National Dairy Products Corp. reported a profit of \$41.7 million—a 50 percent increase over 1952.

In the same year, Beatrice Foods Co. reported a profit of \$7.7 million—an 83 percent increase over 1952.

Meatpackers were doing as well—or better—during the same period.

The Cudahy Packing Co., as a sample, reported a \$7 million loss in 1952, but a \$6.1 million profit in 1956—an increase of 186 percent.

Armour & Co. made \$7.1 million in 1952 and \$14.6 million in 1956.

Safeway's profits rose from \$7.3 million in 1952 to \$25.4 million in 1956—a 246 percent increase.

Mr. Speaker, the plain fact is that the higher prices the consumers have been paying recently have no relation to what the farmer has been getting for his product. Freezing farm price supports at the 1957 levels will not cost the consumers one single extra penny.

The truth of the matter is that the man on the farm and the worker in the city are mutually dependent one upon the other for their economic well-being. The city dweller has just as great a stake in the bill before us today as the farmer has.

When farm prices drop, and the farmer's buying power is reduced, unemployment lines begin to grow in the factory cities. Farmers are a larger user of steel than the automobile industry. Dairy farmers buy more wheel machinery than any other segment of the American economy. This means that when farm buying power goes down it hits jobs in the cities producing trucks, tractors, automobiles, corrugators, rakes, binders, bailers, and so forth.

When farm income goes down too far, those unemployment lines begin to fill up with people from all types of trades and services. And soon the retail stores—and particularly the small ones—advertise bankruptcy sales, and their doors go dark.

There is no doubt but that the present recession is farm fed and farm led. One of the best ways to check the downward trend is to at least keep farm price supports at their present levels—a still better way would be to increase them.

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

Mr. Chairman, I hope we can dispose of the Hagen amendment by sending it to the burial to which it is entitled. I recognize that at times it becomes the duty of any Representative to represent his own area and his own State even to a point beyond his own wishes. I regret that our colleague on the committee has felt that his obligation required him, in doing that, to do an injustice to such a large and such a helpless group of individuals.

About 2 years ago the Congress established 100,000 acres of cotton above and beyond the national allotment. It is not a part of the national allotment. It was never allotted to any State in the Union and it should not be allotted to any State in the Union. It was pro-

vided to take care of those very small farmers who have less than 4 acres of cotton allotted to them. Very few of them are in my area. Most of them lie east of the Mississippi River. Most of them are in the area where those 4 acres of cotton are the chief item of income for a whole family. This amounts to \$400 or \$500, maybe \$600 or \$700; \$600 or \$700 at most total cash income of that family.

We tried to say that those people who had that very small allotment should not be cut down to 3 or to 2½ acres. That is what these 100,000 acres were for. That is what the gentleman from California [Mr. HAGEN] would destroy with his amendment.

He told you so when he answered the question of the chairman of the committee. He calls them "inefficient" farmers. Doubtless they are inefficient. Who is not inefficient who is in that degree of poverty? Do you find the most efficient workmen, the most efficient artisans, doing the least desirable jobs in your great cities? Do you find the most efficient employed in the low-paid industries of your cities?

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

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

Mr. HAGEN. Let me give the gentleman an illustration: He admits the farmer with 5 acres of cotton is virtually in the same position as the farmer with 4 acres of cotton. By giving this 4-acre farmer a special allotment you are penalizing that man with 5 acres, because it means his right to produce is limited that many years more because you are adding to the surplus every acre you add to the national acreage allotment.

Mr. POAGE. The gentleman has misunderstood the whole purpose of the 100,000 acres. We gave the 100,000 acres over and above the national allotment for doing exactly the thing the gentleman has pointed out. Had we taken it away from these farmers of more than 5 acres he would have been correct, but we did not do that. We did not take this 100,000 acres from any State and we never gave them to any State. This 100,000 acres of cotton has been used for the last 2 years to help the people who need help the most, the least opulent farmers in the United States.

Does the gentleman want to be guilty of contributing to taking away the little bit that those poor people have? I am talking to you on my side of the aisle. I heard the laughs, I heard the sneers, I heard the handclapping on the other side of the aisle. I know how some other people have decided to vote. I hope they may change their minds. But I am talking to you who want to do justice to all groups of farmers. Take this proposition. Read it. It proposes to strike out the continuation of three provisions, the first of which gives us this 100,000 for the small farmers. The next says that no State shall be cut below 99 percent of its cotton base and below 85 percent in the case of rice. This amendment would simply take these acres from the small farmers of the

Southeast and move them to the large farmers of the Southwest.

Mr. MORRIS. Mr. Chairman, I move to strike out the last word, and ask unanimous consent to revise and extend my remarks.

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

There was no objection.

Mr. MORRIS. Mr. Chairman, I rise without any bitterness of rancor of any kind. I should like to give you some facts here that I believe are correct, for your consideration. These facts were presented in a booklet by Mr. Z. H. Lawter, secretary of the Oklahoma Farmers Union. He calls them verified facts. This is what he says, among other things.

In speaking of subsidies, that the Government losses for manufacturers' subsidies from 1933 to 1955 were \$40.8 billion. Government losses to shipping and airline subsidies, 1933 to 1955, were \$5 billion. Government losses for the farm price-support program from 1933 to 1955 were \$1.2 billion.

In addition to the above he stated "many other industries and businesses were also subsidized." He gives his source here as the CONGRESSIONAL RECORD, volume 102, part 1, page 457. Then he adds that when total subsidies to all groups are considered over the past 50 years only \$5 out of each \$1,000 has gone to the farmer.

I do not know that those figures are correct. You can check and see whether or not they are, but I believe they are correct, and I feel certain they are substantially correct.

I am not against these subsidies myself. I want to see all of America prosperous. I am not against any fair tariff. I am glad our manufacturers in this country have a tariff to protect them and those to whom they give employment. I want to see the great industrial East prosperous. I do truly and sincerely. I want to see all of our country prosperous. But it does seem to me, and I ask you this question in all sincerity, as I say, without any bitterness, without any rancor, without any partisanship of any kind, do you not think it is sort of lopsided that the manufacturers during the period mentioned received \$40.8 billion, to support their prices, and the farmers only \$1.2 billion? Do you not think that was a little bit unfair to the farmers to start with?

If this resolution is not passed, the farmer is going to take it on the chin further. Do we not all remember that when the great depression came on us in the early thirties it started on the farm? Low farm prices. All right, we are in a recession now. Let us not call it a depression. And, I certainly do not want to make it appear any worse than it is. I am not going to add to it by any intentional psychological move myself. I do not want to talk about it any more than necessary. I want us to act and help stop it. I think it is the duty of all of us to try to our very utmost to stop it. I am afraid, if we do not pass this measure, and some other measures as well, we are going to go right back into a serious depression.

Mr. COOLEY. Mr. Chairman, will the gentleman yield for a question?

Mr. MORRIS. I yield.

Mr. COOLEY. With reference to the pending amendment, upon which we are now about to vote, the clear purpose of the amendment is to take this acreage away from the little cotton farmer and give it to the big one; is it not?

Mr. MORRIS. That is exactly the way I view it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. HAGEN].

The question was taken; and on a division (demanded by Mr. HAGEN, of California), there were—ayes, 41; noes, 99.

So the amendment was rejected.

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

The Clerk read as follows:

Amendment offered by Mrs. TEWES, of Wisconsin: Strike out all of the resolution beginning on line 3, page 1, and substitute therefor the following: "That in order to prevent reductions in support prices for dairy products prior to consideration by Congress of such changes in the price-support laws as may be necessary at this time—

"(1) the support price (in terms of dollars and cents) for dairy products shall not be less than that available for such commodity during the marketing year or season which began in 1957.

"The resolution shall be effective only for the marketing year which begins in 1958, or until repealed, whichever date is earlier.

"Amend the title so as to read: Joint resolution to stay temporarily any reduction in support prices for dairy products."

Mr. TEWES. Mr. Chairman, the significance of this amendment is that it strikes from the bill all commodities except dairying. I stand before you as one who believes that our present farm-support programs are not the answer to the problems of agriculture. I stand before you representing farmers from a great dairy State who, by and large, believe the same thing. We have demonstrated on many occasions our willingness to solve our own problems. We have pending before this Congress permanent legislation, self-help in nature, which would go a long way toward taking the Government out of dairying. My purpose now is to ask for a temporary extension of the present program, until we can pass such self-help measures. The dairy industry is in difficulty and presents us with sociological as well as economic problems. Let me give you one illustration. Fifty percent of the farmers nationwide produce something like 10 percent of all the food. The dairy industry has succeeded in reducing its surplus well below that of any other commodity. But we still have a 5-percent surplus. Twenty-five percent of the existing dairy farmers would probably be forced out of business at once, if we were suddenly to equate supply and demand. This would hit Wisconsin particularly hard because much of our milk is in the surplus category. Not all of this is our fault. Other States have deliberately forced us to bury our surplus by ringing their States with laws intended to protect their own farmers. It is these hardships which compel us to seek a little more time.

It has been said here that to vote against temporary extension of the dairy supports will benefit the consumer. If this measure is defeated, the price of milk will drop one-half penny a quart.

Is there any man in the House who believes that that half cent will be passed on to the consumer?

It has been intimated that this freeze is a freeze at a luxury price to the farmer. The very opposite is true. At \$3.25 a hundredweight farmers are going out of business in Wisconsin. We are asking nothing, except that we be given an opportunity to meet the economic changes in an orderly fashion.

I realize that with this amendment I am intruding on one of the accepted traditions of this body. It has been said that the omnibus approach, lumping together all the commodities, is the way to succeed in the House. I do not agree although my small experience makes my statement presumptuous. I have every confidence that this House will act fairly in the case of all these commodities if they are presented one commodity at a time.

The dairy farmers are in difficulty. They have a just request. If their case is presented to the Members here I am sure they can have the relief they require.

Actually an analysis of this measure indicates quite clearly that this is really a cotton bill. Dairying is in trouble; dairying needs help on the first of April. In order to provide such help for a legitimate cause, we must accept questionable provisions for cotton, which has no urgent necessity at all.

Therein lies the difficulty of commodity approach; therein lies the patent unfairness of the omnibus approach. We find ourselves forced to accept legislation which covers many other commodities and programs which have no relationship to the urgent matters which require our attention. This is in no sense of the word an effort to pit commodity against commodity; it is an attempt to do our legislating free of extraneous pressures and in a way which my constituents expect. What are the problems of dairying? What are the problems of cotton? What are the problems of wheat? I think it is wise for the House to attack these problems singly. My amendment is such an attempt. I urge its adoption.

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

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

Mr. TALLE. I commend the gentleman from Wisconsin for his interest in the dairy industry.

For several years the dairy people have made a tremendous effort to solve their own problems. They have willingly taxed themselves in a self-help effort to put their industry on a sound basis. They have come a long way and, if given a little more time, I am convinced they will be able to go it alone without further Federal supports.

But we should not pull the rug out from under them at this time. I am afraid that if we lower the minimum support price for dairy products, it is

likely that the minimum will become the maximum and will force the dairy people to make additional adjustments which they should not be expected to make now. It seems to me we should keep faith with these people and give them the additional time they will need to establish firmly their self-help programs.

For that reason I am glad to support this amendment. I cannot support the bill as reported by the committee because I am convinced it goes too far and will not help farmers, but will aggravate farm problems by creating greater surpluses and further threaten the prices of farm products.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment and all amendments thereto close in 5 minutes.

Mr. BENTLEY. I object.

Mr. COOLEY. Mr. Chairman, I modify my request and ask unanimous consent that all debate on this amendment and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The CHAIRMAN. The Chair has noted the names of the Members standing and will divide the time accordingly.

The gentleman from Michigan [Mr. HOFFMAN] is recognized.

Mr. HOFFMAN. Mr. Chairman, I yield back my time.

The CHAIRMAN. The gentleman from Michigan [Mr. BENTLEY] is recognized.

Mr. BENTLEY. Mr. Chairman, I rise in support of the amendment. At the same time I rise to ask the leadership of the committee a question.

We heard the gentleman from Texas say a short time ago that we should all represent the feelings of the people in our districts regarding this situation.

Recently I sent out a questionnaire regarding the farm situation, with the following result: Of the 19,500 questionnaires which were returned there were 3,155 from farmers; 14.7 percent voted to raise supports; 18.2 percent voted to continue flexible supports; 46.9 percent voted to drop all supports and controls.

I might add that that is only the farm vote. The total vote on that questionnaire in the matter of dropping all supports and controls was 59 percent.

Now, I ask the gentleman in all fairness if I am to represent the interests of my district how I should vote on Senate Joint Resolution 162.

Mr. BASS of Tennessee. The gentleman should vote against the amendment, according to your survey.

Mr. BENTLEY. But how should I vote on the resolution?

Mr. BASS of Tennessee. The gentleman should vote for it on final passage.

Mr. BENTLEY. I am asking about final passage.

Mr. POAGE. You vote as you please on final passage.

Mr. BENTLEY. Mr. Chairman, we have before us Senate Joint Resolution 162, a bill to stay any reduction in support prices on acreage allotments until Congress can make appropriate changes

in the price support and acreage allotment laws.

Farm commodities grown in the Eighth District of Michigan, which I have the honor to represent in Congress, and which are under price-support programs, include corn, wheat, honey, dairy products—manufacturing milk and butterfat—wool, dry edible beans, and other nonbasic commodities. The Department of Agriculture has announced the following 1958 price-support levels for these commodities as compared with effective 1957 price-support levels:

First. Corn supported in 1957 at 77 percent of parity or \$1.40 per bushel; 1958 price not announced.

Second. Wheat supported in 1957 at 79 percent of parity or \$2 per bushel; 1958 supports at 75 percent of parity or \$1.78 per bushel.

Third. Honey supported in 1957 at 70 percent of parity or 97 cents per pound; 1958 support level unchanged, price to be 96 cents per pound.

Fourth. Manufacturing milk supported in 1957 at 82 percent of parity or \$3.25 per hundredweight; 1958 supports at 75 percent of parity or \$3.03 per hundredweight.

Fifth. Butterfat supported in 1957 at 79 percent of parity or 59 cents per pound; 1958 supports at 75 percent or 56 cents per pound.

Sixth. Wool supported in 1957 at 101 percent of parity or 62 cents per pound; 1958 supports at 95 percent of parity or 62 cents per pound.

Seventh. Dry edible beans supported in 1957 at 68 percent of parity or \$6.31 per hundredweight; 1958 supports at 68 percent of parity or \$6.18 per hundredweight.

It can be seen, Mr. Chairman, that the Department's announced price-support reductions would have greatest effect on dairy supports and this is admitted in the committee report. Since dairying is the most important farm industry in my district and indeed in the whole State of Michigan, it is natural that I should have received the largest amount of correspondence on this subject.

At this point, Mr. Chairman, I should like to read the text of a telegram dated March 18 which I have received from Glenn Lake, president of the Michigan Milk Producers Federation, and a letter under similar date from the Michigan Dairy Farmers Federation. They read as follows:

MARCH 18, 1958.

Congressman ALVIN M. BENTLEY,
House Office Building,
Washington, D. C.:

Some time ago we either visited or wrote you on the matter of continuing dairy price supports at present levels for another year. The Senate has approved a resolution that would freeze the price levels on all agricultural commodities at the 1957 support levels. This resolution provides for the maintenance of a \$3.25 milk price level for another year. While this resolution includes all other agricultural products it is apparent that this is the only vehicle by which dairy supports can be continued at present levels.

Therefore we urge your support of the bill as was passed by the Senate. It is evident that the administration and the Congress is deeply concerned about the present economic status of the entire country. We remind you that this condition to a large ex-

tent is caused by the fact that farmers' purchasing power has been forced downward. The administration and the Congress seem to be grasping frantically for means to bolster a sagging economy. We believe that Congress can make a sincere contribution toward solving this problem by stabilizing farm prices at 1957 levels for the year 1958.

In years past farmers could turn to other employment to supplement their income. Due to the present high level of unemployment this is impossible. This makes it imperative that the dairy farmers' income be maintained by last year's level. Therefore, we again strongly urge you to vote for passage of the resolution passed by the Senate.

GLENN LAKE,

President, Michigan Milk Producers Association.

MARCH 18, 1958.

HON. ALVIN M. BENTLEY,
House of Representatives,
Washington, D. C.

DEAR MR. BENTLEY: The following resolution was approved by a tremendous majority of our federation last week. It reads as follows:

"The member cooperatives of the Michigan Dairy Farmers Federation, representing over 35,000 Michigan dairy farmers, view with disapproval the decision of Secretary of Agriculture Benson to reduce price supports to 75 percent of parity on April 1, 1958.

"This reduction will cost Michigan dairy farmers over \$13 million per year in reduced prices for their milk. We maintain that such a reduction should not come about in view of the recognized low returns to dairy farmers for work and investment during the past 2 years. Especially now, the Nation needs the stabilizing effect which a prosperous dairy industry exercises throughout our economy.

"We urge that the Congress continue dairy price supports at the level of \$3.25 per hundredweight for the year beginning April 1, 1958. This will give Congress and the industry time to place a program in operation which will provide adequate supports in line with dairy costs and which will result in dairy farm incomes comparable to the incomes of other groups in our economy."

Our federation, which acts as a spokesman on legislative affairs for by far the big majority of Michigan dairy farmers, wholeheartedly urges your support in maintaining present dairy price supports and a favorable vote for that bill which is now in Congress.

Very truly yours,

DWIGHT A. SNYDER,
Secretary, Michigan Dairy Farmers Federation.

It will be seen that the Michigan Milk Producers Federation supports Senate Joint Resolution 162 as the only vehicle by which dairy supports can be continued at present levels. I have already committed myself to support legislation which would accomplish this fact. The letter from the Michigan Dairy Farmers Federation does not refer to Senate Joint Resolution 162 but urges my support for a freezing of dairy support levels.

On the other hand, I have been personally contacted by the Michigan Farm Bureau and urged to vote against Senate Joint Resolution 162. I have also individual communications from farm bureau members in my district in the same sense although they do not begin to approach the number of letters from dairy farmers urging me to support a freeze on dairy support levels.

Since most of my dairy farmers, Mr. Chairman, produce for the Detroit shed

and under a Federal milk marketing order, I do not believe that the announced drop in price supports will have the serious effect upon them which they have been led to believe. Nevertheless, there is bound to be some effect upon their cash income if the supports are lowered to 75 percent of parity, effective April 1.

Over the last few years, Mr. Chairman, I have been conducting an annual poll of my constituents to determine their opinions on important issues of the day, among which the farm issue has naturally been included. The committee might be interested in the following results on this issue from my recent questionnaire whose answers have just been released:

The best way to help the farmers would be:

- (a) Raise supports to 100 percent of parity with tight production controls, 6.5 percent.
- (b) Continue flexible supports, 19.4 percent.
- (c) Increase Soil Bank payments, 6 percent.
- (d) Drop all supports and controls and return to free production in accord with supply and demand, 59 percent.
- (e) Other, 3.4 percent.
- (f) Don't know, 6.1 percent.

Of the 19,500 questionnaires which were returned, there were 3,155 from farmers. Let us see how they voted on this issue:

- (a) Raise supports, 14.7 percent.
- (b) Continue flexible supports, 18.2 percent.
- (c) Increase Soil Bank payments, 13.8 percent.
- (d) Drop all supports and controls, 46.9 percent.
- (e) Other, 6.3 percent.

To me, Mr. Chairman, this is clear evidence that both the majority of my constituents and the largest group of my farmers do not want either a return to high price supports or a continuation of flexible supports. Rather, they want to get the Government completely out of the farm program and let the farmer alone to operate freely and without restriction as he sees fit.

That being the case, I am frankly at somewhat of a loss as to how to vote on Senate Joint Resolution 162. To complicate matters further, the chances are that this legislation will be vetoed by the President if it reaches him in this form and that, to judge from the vote when it passed the Senate last week, the veto will be upheld. That will mean that the Department's announced price support changes will remain in effect.

If there is any opportunity to vote for a motion to strike out all parts of this bill except that relating to dairy products I certainly intend to vote for it. Not only have I committed myself to such a vote but the hardships being undergone by the dairy farmers are very real and I am opposed to any bill which might lower their income at present. Further, the dairy industry, through its self-help program, is making a real attempt to get the Government out of its own program and to allow its members to solve their own problems. I feel that they should be given this opportunity.

Neither a vote for or against Senate Joint Resolution 162 would solve my

problem of trying to get the Government out of farming. A 1-year freeze on supports, such as envisaged by the pending legislation, is no step toward getting the Government out of the farm program, even though the supporters of Senate Joint Resolution 162 claim that it is a temporary measure designed to prevent further deterioration of our farm economy while long-range programs can be studied.

The freezing of acreage allotments at 1957 figures is also certainly no answer to our continued problem of agricultural overproduction.

The lowering of supports under the administration's flexible program is likewise no real progress toward getting the Government out of farming. To the best of my knowledge, neither the administration or the Farm Bureau programs contemplate an eventual elimination of all price supports. There is, therefore, no reason to support a flexible program in the hope of eventually eliminating all supports thereby. Although the passage of Senate Joint Resolution 162 would keep dairy support prices at present levels, it would also keep feed-grain costs at present levels. This is another reason why the legislation does not appeal to me.

A final factor which must be remembered, however, Mr. Chairman, is that we are in the midst of serious economic problems. Many farmers who have gone to work in the cities have now been forced to leave their jobs, because of low seniority, and to return to the farms which they originally left because of low income. Further, it should be remembered that the Congress and the administration are taking action to assist other distressed parts of our economy, such as accelerated civilian and military construction programs. It hardly appears to be the time to take action which would lower farm prices even though it would in the long run strengthen prices in the market.

To sum it up, Mr. Chairman, I do not support an indiscriminate freeze of price supports and acreage allotments on all supported commodities. I regard Senate Joint Resolution 162 as nothing but a shoddy attempt to play politics at the expense of the farmer. If, after 4 years, the best that the Democrats in control of Congress can come up with is to freeze all support programs, they have certainly failed miserably to supply any answer to the farm problem. But, on the other hand, the administration's farm program of flexible supports has certainly provided no answer either. I am sure that I echo the sentiments of many of my colleagues who would like the Government entirely out of the farming picture when I say that the pending legislation does not offer us anything except a choice between two thoroughly undesirable alternatives, neither of which I believe to be in the best interests of the farmer or the American public as a whole.

The CHAIRMAN. The Chair recognizes the gentleman from Mississippi [Mr. ABERNETHY].

Mr. ABERNETHY. Mr. Chairman, I have been around here a little while, about 16 years. I have seen a few self-

ish things take place in the House. They do not appear often but they do happen, occasionally. Sometimes they are excusable. We can excuse a new Member, like the gentleman from Wisconsin, who probably is not as experienced as some of us, for offering this kind of an amendment. Even so, it really shocked me, it was amazing, that he would ask this House, that he would be so selfish as to ask this House to look after him and his farmers only and let the rest of American agriculture continue to feel the shock of the decline. Other farmers have homes and children too, you know. They grow wheat, corn, cotton, rye, barley, rice and so on. I just happen to feel that all farmers should have comparable treatment. Possibly after the gentleman has been around a little longer his vision will broaden and he will be able to see beyond his own little world.

I happen to serve as chairman of the Dairy subcommittee, of which the gentleman is a member. I have a little dairying in my District. As compared with the gentleman's District, I do not have too much. In any event, I have done my best to assist the gentleman and his troubled farmers. Although dairying is not as prominent in my District as in his I would never permit myself to take a stand against his dairy farmers just because dairying may not be as prominent in my District as is some other type of agriculture. I have never discriminated between farmers. I endeavor to treat them all alike. I have visited in the gentleman's great State and found his farmers to be very much like those in other sections of the country. They are fair minded. They don't want special treatment. The gentleman has made a most unfortunate mistake which I am sure we can all overlook and attribute to his inexperience. I am sure he would not want special treatment for his farmers and permit all others to suffer further decline in income.

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

Mr. ABERNETHY. I yield to the gentleman from Wisconsin.

Mr. TEWES. That is exactly what the gentleman is doing with this bill.

Mr. ABERNETHY. Let us see where the gentleman stood in committee. The gentleman offered this same amendment in the committee. There are 34 members of that committee, 19 Democrats and 15 Republicans. Does the gentleman wish for me to tell the House what the vote was on the identical amendment which he submitted to the full committee in executive session? Under committee rules I do not think I can reveal that without the gentleman's permission.

Mr. TEWES. Yes. State how many voted for the amendment.

Mr. ABERNETHY. The gentleman's amendment received 3 votes, 1 of which was his own, on our 34-member committee. He did not even make a good showing on his own side, the Republican side of the committee. It amazes me that after suffering such an embarrassing defeat in the committee he would offer it again.

I am sure the gentleman wishes to build good will for his dairy farmers

among all other farmers of the Nation. He has made an unfortunate mistake. But let us not hold it against him or his distressed dairy farmers. Let us just vote the amendment down, which I am confident the House will do, and get on with the bill.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. MEADER].

Mr. MEADER. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Wisconsin [Mr. TEWES].

I would like an opportunity to vote for a temporary extension of 1957 dairy-price supports, but I cannot support a measure which has little chance of becoming law and continues rigid high-price supports generally. That would be a step backward in the direction of socializing agriculture which this administration is trying to get away from.

I hope the amendment offered by the gentleman from Wisconsin will be adopted.

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina [Mr. COOLEY].

Mr. COOLEY. Mr. Chairman, if there is any part of the pending resolution that could possibly be considered in any respect political, it is the section with which we are now dealing. Secretary Benson will lower price supports for dairy products on April 1 if he is not prevented from doing so. This is an effort to stop Benson and force him to either rescind the order which he is about to put into effect or make it unlawful for him to do so. Of course, I realize that this, at the same time, is an effort to protect the income of dairy farmers. If you want to repudiate Mr. Benson here is your opportunity to do so. I certainly have no objection to your repudiating Benson, but I do not intend to help you repudiate Mr. Benson in this fashion. I am willing to repudiate Benson but I want to repudiate him in more than one way. I want you to know just what you are about to do. You Republicans must now make a difficult decision. You either approve what Mr. Benson proposes to do or you do not approve of his proposal. You must follow him or repudiate his leadership. Here is your chance and here the record must be written. Next fall you will try to hold Mr. Benson in one hand and the dairy farmers' vote in the other hand, and this, too, will be a very difficult task. Dairy farmers know that Mr. Benson is not their friend, nor is he the friend of any of the farmers of our country other than the producers of sugar beets and wool, the two great crops of his own area of the country. He is willing to subsidize wool producers and he is willing to provide high-support prices for sugar beets but he is apparently willing to drive the income of other producers to disastrously low levels. Many of our farmers are now on the brink of bankruptcy and hundreds of thousands of our farmers are being forced off the land. We are here trying to stop Benson in his efforts to drive little farmers into bankruptcy.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. TEWES].

The question was taken; and on a division (demanded by Mr. TEWES), there were—ayes 94; noes 132.

So the amendment was rejected.

Mr. GUBSER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I realize that the hour is getting late. But I believe I have not imposed myself upon this House too much or taken the well on too many occasions. Certainly I have never done so unless I felt very deeply on a subject, and I certainly do feel very deeply that this resolution should be defeated.

I could speak to you as the Representative in Congress of the 15th ranking county of the United States in agricultural production. But I would rather speak to you as a farmer. And let me say, and I say it proudly, a dirt farmer, a working farmer, one who still knows how to harness up a team of horses and one who can operate and repair any piece of farm machinery in the world if you will just give me enough baling wire. I say I am a third generation working dirt farmer, and I would like to speak to you today as a Representative of a farming community.

I think the issue here today is whether or not the Secretary of Agriculture will be allowed to continue his progress toward creating a free farm economy or will his hands be tied? Will we get further away from the Democratic policy of high fixed-price supports and get closer to the Republican policy of a free farm economy?

Here is what the farmers in my District think—and I concur in that thinking. We do not feel that high fixed price supports ever created farm prosperity. We feel instead that wars did it, World War II and Korea. We do not want to be wards of the Government. We are farmers because we like to be free; we like to get out in the open, and we do not like to be confined within four walls of a room. Because we are that way by nature we like to be free from Government regulation.

We believe that good farmers can compete and thrive without Government interference. We do not believe that the Government has an obligation to keep the marginal and inefficient farmer in business. It is true that costs have gone up to the farmer while his prices have gone down. But there is one further and important point that is very often overlooked. The farmer's productive capacity, if he is a good farmer on good land has also gone up. Permit me to use a personal example.

A few years ago, when my dad farmed, 8 tons to the acre was a good crop of tomatoes. Today I am farming the very same, identical land, and the last crop I produced was 28 tons to the acre. How was it done? Because we have learned the value of deep tillage and the increased water penetration we get from it; because we developed new seeds which are early bearing and which are disease resistant. We have learned that instead of planting tomatoes 6 by 6 feet with a

plant population per acre of 1,210, 4,800 will give us a better crop. We have learned better irrigation practices. We have learned to fertilize, to use insecticides, and pesticides.

Had I rejected these new methods, I could not produce 28 tons of tomatoes on the same land on which my father produced 8 tons. So the farmer's productive capacity has gone up if he is a good farmer and on good land and if he will use modern techniques.

One other thing. We believe in my District that the Democratic farm policy of high, fixed price supports has created the corporation farmer. Let me develop that thought for you. Let us take an example in a nonagricultural endeavor. Let us take an earth-moving contractor. A few years back he could use a small TD-6 tractor or a D-2 and he could economically operate. Today he has to use a D-8 or TD-24 which costs 10 times as much money but moves 20 times as much dirt.

The same is true of a farmer. With high, fixed price supports, we have guaranteed a price to the farmer and we have attracted the doctor, the lawyer, the investment banker into the farming business. They can afford to buy the TD-24's and the D-8's and the little farmer cannot.

We have forced the little farmer today to compete in a world of big business he is not capable of competing in. I say, let us send the Wall Street investment brokers back to Wall Street, let us cut out some of the high price supports of the Democratic years, and let the real farmers farm.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. COOLEY. Mr. Chairman, in this debate it might be well to take a moment to review the miracles of production that have been accomplished by our farmers, in the immediate years within our memory. And then we may want to ask a question.

The accomplishments of our farmers are almost unbelievable. They are fabulous.

Crop production per acre in 1957 was 40 percent above the 1935-39 average.

Total man-hours of labor used for farm work declined by 34 percent in this 20-year period; yet greater and greater abundance has come from our fertile lands.

Output per man-hour of farm labor has increased by 217 percent.

The number of consumers supported by 1 farmworker has doubled, from 10 in the 1930's to more than 20 today.

Further comparing the efficiency of agriculture with 1935-39, we find:

Cotton production per acre up from 226 pounds to 390 pounds in 1957-1956 production was 409 pounds per acre.

Tobacco, up from 883 pounds to 1,496.

Corn, as an average for the Nation, up from 25 bushels per acre to 57.

Wheat, up from 13 bushels to 22.

Peanuts, up from 746 pounds to 968.

Eggs per hen, up from 128 to 198.

Milk per cow, up from 4,403 pounds to 6,162.

Few people have little, if any, concept of the production—the efficiency—revolution that has occurred on our farms in the last few years.

Listen to these facts and figures. They are from the Farm Economics Research Division of the Agricultural Research Service, Department of Agriculture. They show what has been accomplished in the feeding of animals and poultry between the period covering 1940-42 to 1953-55. This report reduces all feed units, including pasture, to a corn equivalent.

To produce 100 pounds net live weight of cattle and calves required 1,014 pounds of feed in 1940-42, but only 899 pounds in 1953-55, a reduction of 13 percent; production of 100 pounds of sheep and lambs required 1,996 pounds of feed in 1940-42, but only 1,410 in 1953-55, down 42 percent; and in this same period of time the feed required for the production of 100 eggs dropped from 63 pounds to 56, down 13 percent; production of 100 pounds of broilers, from 479 pounds to 336, down 43 percent; 100 pounds of turkeys, from 704 pounds to 549, down 28 percent; 100 pounds of hogs, from 530 pounds to 515, down 3 percent; production of 100 pounds of milk, from 110 pounds of feed to 105, down 5 percent.

Now, the one question that overshadows all other consideration is this: For providing this Nation this horn of plenty—this cornucopia—for building this base for an American standard of living that is the envy of the world, what has been the reward to the farmer and his family?

No pride may be found in the answer.

For, during the recent years of their greatest accomplishment—in the times of their great contribution to the strength of the Nation—the rewards to the farmer and his family, for their intelligence, diligence, and labor, has constantly declined.

Moreover, the farmer has been subjected to false and shameful propaganda that has carried to the public an impression that he is a ward of the Government, that he has sold his liberty for a Government check. Some of the people whose responsibility it is to fight the battles for agriculture actually have sought to set our farmers adrift in the economic stream, alone, without power to produce and price themselves into a fair relationship with the other great segments of our free enterprise society which already enjoy tariff, minimum wage, collective bargaining, and the benefits of many other laws that soften the harshest impacts of unrestrained competition.

Facts and figures

CCC PRICE SUPPORT LOSSES

As of Jan. 1, 1953..... \$1,064,617,225
As of Jan. 1, 1958..... 5,173,746,788

(NOTE.—The losses in 5 years, from January 1953 through 1957, were four times the total of losses during the previous 20-year history of CCC price-support operations.)

20-year loss (1933-52)..... \$1,064,617,225
Loss (1953 through 1957).... 4,109,129,563

CCC OPERATIONS IN BASIC CROPS ONLY (COTTON, WHEAT, TOBACCO, CORN, RICE, AND PEANUTS)

Jan. 1, 1953 (at the end of 20 years) profit..... \$13,011,290
Jan. 1, 1957 (4 years later) loss..... 1,992,067,863

(NOTE.—A \$13,011,290 profit over a 20-year period of CCC price supports on the basics turn into an \$8 million loss within 4 months after Mr. Benson took office. In 5 years under Mr. Benson losses on the basics amounted to \$2,005,079,153 compared to the \$13 million plus profit in the previous 20 years.)

(NOTE.—The CCC support program for cotton, over 20 years, showed a profit of over \$268 million. But this profit has been wiped out, by a cotton program loss of over \$700 million in the last 2 years.)

Losses on dairy products

Up to Jan. 1, 1953..... \$121,523,383
Since Jan. 1, 1953, to Jan. 1, 1958..... 1,441,467,309

Dairy program total... 1,562,990,692

CCC investments

Total CCC investments (inventory and loans) as of Jan. 1, 1953..... \$2,452,000,000
Total CCC investments (inventory and loans) as of Jan. 1, 1958..... 7,200,000,000

Total increase in 5 years..... 4,748,000,000

CCC investments in major crops (Inventory and loans)

Crop	Amount	Value
Cotton:		
Jan. 1, 1953..... bales..	1,097,000	\$166,779,000
Jan. 1, 1958..... do.....	5,620,000	912,041,000
Wheat:		
Jan. 1, 1953..... bushels..	467,847,000	1,081,545,000
Jan. 1, 1958..... do.....	942,134,000	2,498,237,000
Corn:		
Jan. 1, 1953..... do.....	368,349,000	587,274,000
Jan. 1, 1958..... do.....	1,625,502,000	2,173,884,000
Rice:		
Jan. 1, 1953..... hundredweight..	168,000	875,000
Jan. 1, 1958..... do.....	15,467,000	113,749,000
Peanuts:		
Jan. 1, 1953..... pounds..	192,528,000	22,644,000
Jan. 1, 1958..... do.....	213,143,000	25,322,000
Tobacco:		
Jan. 1, 1953..... do.....	544,067,000	250,373,000
Jan. 1, 1958..... do.....	940,742,000	589,556,000
Dairy products:		
Jan. 1, 1953.....		8,445,000
Jan. 1, 1958.....		165,835,000

Farmers (1953 and 1957)

	1952	1957
Farmers' net income (billions).....	\$14.3	\$11.5
Farmers' share of food dollar (cents).....	47	40
Prices paid by farmers, index (percent of 1910-14 average).....	287	296
Prices received by farmers, index (percent of 1910-14 average).....	288	242
Parity ratio.....	100	82
Number of farms.....	5,421,000	4,856,000

Per capita income (1957)

People on farms..... \$993
Nonfarm people..... 2,045

COMPARISONS

Average of farm prices in 1957 down 16 percent from 1952.

Net farm income in 1957 was 19 percent below 1952.

CONTRAST

Hourly earnings industrial workers in 1957 up 24 percent since 1952.

Corporation dividend payments in 1957 up 37 percent since 1952.

Farm prices (as percentage of parity)

Year	Percent
1942.....	105
1943.....	113
1944.....	108
1945.....	109
1946.....	113
1947.....	115
1948.....	110
1949.....	100
1950.....	101
1951.....	107
1952.....	100
1953.....	92
1954.....	89
1955.....	84
1956.....	82
1957.....	82

Cash receipts of farmers (not including Government payments)

1932.....	\$4,748,000,000
1947.....	29,664,000,000
1948.....	30,253,000,000
1951.....	32,928,000,000
1952.....	32,556,000,000
1955.....	29,542,000,000
1956.....	30,372,000,000
1957.....	30,019,000,000

Net income of farmers (including Government payments)

1932.....	\$1,928,000,000
1947.....	17,191,000,000
1948.....	15,943,000,000
1951.....	14,802,000,000
1952.....	14,256,000,000
1955.....	11,581,000,000
1956.....	12,070,000,000
1957.....	11,532,000,000

National income

1932.....	\$43,049,000,000
1948.....	208,980,000,000
1951.....	250,779,000,000
1952.....	266,406,000,000
1955.....	296,379,000,000
1956.....	314,471,000,000
1957.....	328,676,000,000

Consumers—Quantities of foods 1 hour of factory labor will buy

	1929	1957
Bread (loaves).....	6.4	11.0
Steak (pounds).....	1.2	2.2
Milk (pints delivered).....	7.8	16.6
Butter (pounds).....	1.0	2.8
Bacon (pounds).....	1.3	2.8
Eggs (dozen).....	1.1	3.7
Potatoes (pounds).....	17.7	36.3
Oranges (dozen).....	1.3	3.6

Source: Agricultural Marketing Service.

Mr. BYRNES of Wisconsin. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I regret exceedingly that it is necessary for the Congress to be considering legislation of this nature.

Mr. Chairman, I have become convinced that the sooner the Government gets out of the farmers' barns and hair and frees American agriculture from the whims of political action, the sooner will the economic condition of agriculture be improved.

I have always recognized that one of the biggest problems facing the farmer was the extreme fluctuations in production and prices in his segment of our economy. I have thought that there was a Government responsibility to try to be helpful in leveling out these high peaks and deep valleys. I am still convinced of the desirability of Government action in this field. I have also become

convinced, however, of the impossibility of working out a practicable Government program, particularly in view of what has been happening in this field during the last 10 years.

During the last 10 years, the legislation we have considered under the title of "Farm Price Supports" has been dictated by political considerations rather than the welfare of American agriculture. As long as political considerations dominate Government action in this field, the agricultural economy, except in time of war, will always be sick and the farmer will be a political pawn rather than a self-reliant businessman.

Violent fluctuations of production and price of farm products causes serious problems for the farmer and the general economy, but these problems are much less serious than the problems caused by a Government controlled agriculture with the accompanying serfdom of our farmers.

I am hopeful that this Congress will, at an early date, set a time when the Government will get out of the field of price supports completely. Such action would be an "emancipation proclamation" for the American farmer. The farmers should be freed from Government and political control and permitted to use his own ingenuity, unrestricted by Government, to solve his own problems.

As long as we have a price support program, however, we must consider political legislation like that before us today.

This bill contains many features which I believe would be unsound, from the standpoint of agricultural policy. If this bill could be considered wholly in terms of agricultural policy, I would vigorously oppose it. The facts of the matter are, however, that this legislation must be considered in terms of the general economic conditions that we find existing in the economy as a whole.

We know that there are some serious weak spots in our industrial economy today. Members of Congress and the administration are talking in terms of affirmative action that should be taken to strengthen that part of the economy. Under these circumstances, I cannot understand the attitude of the administration in condoning action that will be bound to further depress farm income and the farmers' purchasing power. If the administration and the Congress can give consideration to the many proposals now being made to stimulate our industrial economy, then certainly the least we should do is to try to keep our agricultural income from falling further. It is foolhardy to consider Government action, the immediate result of which would be to reduce that income.

Let it be remembered that as long as we have a price-support program, the price set by the Government tends to become not just the minimum price, but it becomes the market price.

In the dairy segment of our agricultural economy, the Secretary of Agriculture in effect sets the price for manufactured products and the price of milk to the farmer. The dairy farmer and the dairy industry is already in a very

depressed situation because of the interplay of various economic factors and because of Government action. In spite of this fact, and in spite of the problems in the general economy, the Secretary of Agriculture insists on a further drastic reduction in the price of milk to the farmer and thus a greater reduction in the income of the dairy farmer. This action, Mr. Chairman, can only be dictated by a stubborn disregard of economic facts.

A freezing of the support price for dairy products at the present level for 1 year may cost the Government about \$15 million and that is a matter that must be recognized. On the other hand, let it be recognized that the reduction proposed by the Secretary will result in a reduction of farm income of over \$250 million. Is the expenditure of \$15 million to purchase dairy products worth the \$250 million purchasing power that will be created. That is the question we must ask with respect to the dairy price freeze contained in this bill. To me, Mr. Chairman, the answer is a definite "Yes."

If the expenditure by the Federal Government of almost a billion dollars to supplement State unemployment insurance as is being proposed by the President is a desirable program, then certainly \$15 million to create \$250 million of farm purchasing power is a sound investment.

Mr. Chairman, under the present circumstances, I do not see where there is any alternative but to vote for this bill freezing supports at their present level for 1 year.

Mr. CRETELLA. Mr. Chairman, I have listened with a great deal of interest to the debate on Senate Joint Resolution 162, which is intended to stay a reduction in price supports and acreage allotments, and I am amazed at some of the statements made by the supporters of the resolution as to the reasons why it should receive favorable action.

So that there be no mistake about it, I am unalterably opposed to the resolution and will vote against it. The claim is made that this would be of benefit to the farmer and that because of declining farm prices, this legislation must be passed at a cost of hundreds of millions of dollars to the American taxpayer.

While all this cry is made for the welfare of the farmer, who is represented by strong farm bloc support, and Members of this Congress whose interest in the legislation necessarily stems out of political expediency, the plight of the consumer is lost sight of.

The mere fact that he, as a taxpayer, must help to pay for these supports seems to be lost sight of. In my opinion, the passage of this legislation would tend to pile up additional surpluses to those which we already have, and which again are costing the taxpayers millions of dollars for storage purposes only. It would certainly add greatly to the cost of the farm program which is now a series of hodgepodge legislation similar to that which was vetoed by the President in 1956.

I wonder how many consumers are mindful of the fact that under the program mandatory supports would be established for commodities which they little suspect, and which is likewise costing them hundreds of millions of dollars.

It is my opinion that the plight of the farmer is not as deplorable as represented by those who take the floor of this House in support of this legislation. True, we all need the American farmer who helps to support the economy of this country, but the consumer who does not have the lobbyist to look after his interests is the one who is called on to pay through the nose every time we add to the farm programs, and I shall vote against this resolution.

As one reads the report which accompanies the resolution, it states that it is hoped that a farm program acceptable to the vast majority can be worked out, and I see very little hope for any such eventuality to take place because, in the years that I have been in the Congress, it has been a constant cry by the farmers for more and more of the taxpayers' money, and when I make reference to farmers, I do not mean the little family farmer, but the large commercial entrepreneur engaged in agriculture to take out of it all that the traffic will bear.

Mr. BECKER. Mr. Chairman, I was considerably disturbed to hear the gentleman from New York, speaking as the chairman of a subcommittee on consumer prices, refuse to answer the rather pertinent question as to just how the proposed resolution would help consumers.

If I interpret his remarks correctly, what he was really saying was that it does not help the consumer at all, but that he does not think it will hurt him. I think he has overlooked one important fact. This proposition, if enacted into law, will cost, according to figures given on the floor here today, somewhere between \$250 million and \$350 million more than the program cost this year. I want to say right now that this is one part of the proposition that is going to hurt the consumers in my District. Their share of that additional cost is going to be between a half and three-quarters of a million dollars in my District alone. And with unemployment rising, this is going to hurt the consumers in my District considerably. That is one reason why I am going to oppose the proposition.

The other reason is that this is a bad bill. That is why it is being rushed through the House in this fashion. If the Members were to be given a chance to study just what the results of this action would be, it would be hard to get a handful of votes in support of the measure.

I have heard, time and again, the proponents of this proposition take the floor to tell us how the present support program has failed. It has been costly and ineffective, and Secretary Benson has been criticized for having such a program. Now we hear these same Members tell us that we must freeze this same program just as it is. We must not

let anything be changed. Now this just does not make sense.

Mr. BUDGE. Mr. Chairman, I am voting against the farm-freeze bill—Senate Joint Resolution 162—because I am convinced it is a step in the wrong direction.

In my District in Idaho, the two crops right now paying the best returns to farmers are potatoes and beef cattle—neither of which has any Government support. This, I believe, indicates the proper direction for us to go if we want to give any real help to the farmers. We must move to get less Government in farming instead of more. We must move in the direction of more freedom to meet ever-changing conditions instead of freezing supports in a pattern which has already been proven ineffective, inefficient, and woefully expensive.

I have been surprised to hear those who have been the most frequent and the loudest in their criticism of the administration's farm program, leading the fight for adoption of this measure. For months they have been telling the world how bad the program is, and now they are trying to rush through, without hearings, a bill to freeze it exactly as it is. This is a poor way, in my estimation, to help farmers. The least the critics could do would be to present something new, rather than the same old approach which has failed time and time again.

Mr. NEAL. Mr. Chairman, recalling a remark made by the gentleman from Wisconsin [Mr. TEWES] that dairymen in his District are going out of business reminds me of the fate of small dairies in my home county after the adoption of a pasteurizing ordinance. Being unable financially to meet the imposed requirements, they elected to go out of the dairy business to seek other means of support.

I am reminded that history is replete with similar instances. Due to ever-changing developments in the economic picture, small business, no longer able to adjust to changes, has no alternative but to desist from further attempts to continue an unprofitable operation.

In view of the overproduction of dairy products, I am constrained to wonder why Government should be asked to bail out those individuals who find themselves no longer able to operate with profit.

Mr. GROSS. Mr. Chairman, I am certain that nothing anyone may say at this hour this afternoon will change a single vote either for or against this legislation.

Therefore I merely want to say that I fully understand this is stopgap legislation and points up the necessity for early enactment of a sound, permanent measure that will provide economic justice for the farmers of this Nation.

To permit the Secretary of Agriculture to lower price supports on dairy and other farm commodities and thus reduce the income of farmers below the 1957 level would be unthinkable.

I support this legislation to hold the line until a better farm program can be enacted into law.

Mr. WOLVERTON. Mr. Chairman, the farm problem seems to defy satisfactory solution. Each new endeavor during recent years has brought new or

additional problems beyond what it has sought to cure. All of this indicates that the problems have not been approached in a proper manner. To list the different proposals that have been suggested or enacted would exceed the time and space available to me at this time. Suffice it to say that the present proposal contained in Senate Joint Resolution 162 is even more unsatisfactory than any that has preceded it.

The joint resolution, Senate Joint Resolution 162, now before the House for its consideration seeks to stay any reduction in support prices or acreage allotments until Congress can make appropriate changes in the price support and acreage allotment laws.

There are many reasons that this cannot be considered either a wise or appropriate manner to solve whatever farm problems exist at this time. Without any attempt to enumerate all of the reasons that could be given, I will set forth a few of the most glaring and most objectionable features that appear to me from my consideration of the provisions contained in the resolution, namely:

First. The resolution as passed by the Senate provides that it shall be effective only until such time as Congress shall make other provision for price supports and acreage allotments and provide for the repeal of this resolution. Thus, we would have a freeze of present unsatisfactory conditions, whatever they may be, for an indefinite time.

To eliminate to some extent this objectionable feature the House Committee on Agriculture has amended the resolution so that it is contended it could only apply for 1 year. However, even with such a change there is no assurance that it would be acceptable to the Senate. And, if it should not be then we would have to adopt the Senate indefinite time limit or have no law to remedy the situation which the committee admits is necessary for a long-range solution.

Second. The House committee report admits the proposed enactment now before the Congress is not intended as permanent nor affirmative legislation but only as a stopgap measure while new program-type legislation is being formulated and enacted. And, in this connection the committee further states, "It is the hope of this committee to bring out a general farm bill which will include improved price-support and production adjustment programs for the major agricultural commodities. To this end, commodity subcommittees have been and are continuing to work with all diligence."

The report further sets forth that the Cotton Subcommittee is now working on the final draft of its legislation. The Feed Grains Subcommittee is nearing a draft of its program. The Wheat Subcommittee has started hearings on new long-range wheat legislation, and the Dairy Subcommittee has announced the start of hearings on an entirely new type of dairy support program. The other commodity programs are receiving similar attention. This activity in the preparation of new legislation removes the necessity for any such precipitous treatment of the farm program as this resolution would provide. The sensible

thing is to withhold mere temporary stopgap legislation and bring to completion at the earliest possible day the new farm program.

Third. The present resolution was presented to the Senate without any hearings, notwithstanding it was known that serious objections had been raised by farm organizations, and the same is true of the House resolution. It was likewise reported to the House without any hearings being held by the committee.

It was rushed out of committee in both instances without any opportunity to ascertain whether it was good legislation or ill-advised at this time. There is no doubt that it is intended to repeal the exercise by the Secretary of Agriculture of the discretion lodged in him under the present law to fix price supports and acreage allotments for certain crops.

Fourth. The House committee report leaves no doubt that there should be a new farm program which will include improved price-support and production-adjustment programs for the major agricultural commodities. In view of this fact, how can there be justification for the present price supports and production adjustments being continued. And, in this connection it should be further borne in mind that the present program relates to only 19 commodities out of 250 farm commodities. And, likewise that it is generally recognized that the present farm program is not as helpful as it should be to the small family-sized farm or the low-income farmer.

Fifth. Furthermore, a continuation of the present farm-support program does not provide any relief to the large consuming portion of our population. The cost to consumer has been continually rising and without the producing farmer always getting the supposed benefits accruing from the high prices paid by the consumer. Somewhere in between the price received by the farmer and the price paid by the consumer there is someone or more reaping a real harvest of profit. How can this situation be remedied to the advantage of the farmer and the consumer? This is a matter that requires and should have the active and serious consideration of the Committee on Agriculture. There is a duty to the public consumer that should be considered in connection with the recognized duty of promoting the welfare of the farmer. It is a dual obligation and too serious to be passed over in the manner of the present resolution which in effect ignores it entirely.

Sixth. It is gratifying to learn that no matter how unsatisfactory the lot of some farmers may be, nevertheless the fact remains that, first, farm assets are an all-time high—\$188 billion as of January 1, 1958; second, the inventory value of livestock on farms for January 1, 1958, was \$14.2 billion—higher by \$3 billion than a year ago; third, income per person on farms last year was highest on record—up 2 percent over 1951, the previous high year; fourth, farmers have less than \$11 in debts for each \$100 of assets; in 1940 the ratio was \$19 for each \$100; fifth, owner equities rose 7 percent during 1957 to a peak of \$168.4 billion; sixth, farm ownership is also at a record

high, only 1 in 3 farms has a mortgage; seventh, the postwar downtrend in prices which started in 1951 has been stopped, prices received by farmers in February were 8 percent above a year ago and 11 percent above 2 years ago; eighth, the surplus production of American farms is being made available for hungry people at home and abroad.

Seventh. The existing farm legislation is not adequate for the needs of agriculture under present conditions, and, this proposed legislation would worsen rather than improve the existing unsatisfactory situation. For a long time it has been the policy to establish support and allotment levels on a year-to-year basis, using statutory standards. That certain levels of prices and acreages are in effect in 1957 does not necessarily mean that they will be right or desirable for 1958 and future years. This would be the effect if the present resolution is adopted. It is therefore wrong in principle and should not be adopted.

It has been urged that there is a necessity for this legislation as a means of protecting the dairy interests from any possible change of their status on April 1 of this year. I submit that it is not necessary to extend all the inequities of the present and existing legislation indefinitely, or, even for 1 year relating to other commodities and adding nine more to the list, if the only reason that can be legitimately advanced is to protect the dairy interests. It is my opinion that this could have been done, if necessary, by merely extending the law pertaining to dairies another month or two. It is my understanding that a motion will be made to recommit the pending resolution with instructions to the committee to report the resolution immediately, with a provision relating to the protection of the dairy industry only, and eliminating all other provisions of the pending resolution. I shall vote for such a motion if it is made. I trust that such motion shall be adopted and thereby protect the dairy industry for the short time necessary to report permanent legislation, and that the Committee on Agriculture will thus be required to act promptly in reporting to the House a new farm program that will eliminate any inequities now existing and provide a new and improved program that will more adequately solve and fit into the needs of today.

Mr. PORTER. Mr. Chairman, I shall support Senate Joint Resolution 162, but with reservations which I hope to discuss at length at a later date.

Personally, I am not convinced that price supports, as now in effect, serve the farmer. This does not mean, however, that I am willing to throw out an existing program without offering a solution. Mr. Chairman, Secretary Benson may believe he is helping the farmer stand on his own feet. I can appreciate the Secretary's sincerity but I cannot accept his program which has done little more than foreclose on the individual farmer.

The mail I have received from constituents has been 5 to 2 in favor of freezing price supports as Senate Joint Resolution 162 proposes. I have had no commentary on acreage allotments.

The members of the North Bayside Grange, No. 691, of Coos County, Oreg., took time earlier this year to prepare in detail their reasons for protesting the proposed lowering of dairy support prices.

The Grange opinion, sent to me by Secretary Bonnie Fullerton, is, in part:

This protest should not be construed as an argument for subsidies as such. The dairyman is as willing as anyone to cease being dependent on the Government, providing that all other segments of the economy return to the same basis.

The Grange statement also says:

The trend of the administration to eliminate the small operator could result in a monopoly condition which would be more harmful to the general public than the total of all subsidies ever paid.

Mr. Chairman, I believe that until Congress can, of necessity, do the job which the Secretary of Agriculture has not done, this proposed freeze is necessary. On this basis, I shall cast my vote for the freeze.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. ENGLE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the joint resolution (S. J. Res. 162) to stay any reduction in support prices or acreage allotments until Congress can make appropriate changes in the price support and acreage allotment laws, pursuant to House Resolution 505, he reported the joint resolution back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the third reading of the joint resolution.

The joint resolution was ordered to be read a third time and was read the third time.

Mr. HARVEY. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. HARVEY. I am, Mr. Speaker.

The SPEAKER. The gentleman qualifies.

The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. HARVEY moves that the joint resolution be recommitted and reported back forthwith with the following amendment: Strike out all of the joint resolution beginning at line 3 on page 1 and substitute therefor the following:

"That in order to prevent reductions in support prices for dairy products prior to consideration by Congress of such changes in the price support laws as may be necessary at this time.

"(1) the support price (in terms of dollars and cents) for dairy products shall not be less than that available for such commodity during the marketing year or season which began in 1957.

"The resolution shall be effective only for the marketing year which begins in 1958, or until repealed, whichever date is earlier."

The SPEAKER. The question is on the motion to recommit.

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

The yeas and nays were ordered.

The question was taken; and there were—yeas 173, nays 211, not voting 46, as follows:

[Roll No. 27]

YEAS—173

Adair	Fenton	Miller, N. Y.
Addonizio	Fino	Minshall
Alger	Fogarty	Morano
Allen, Calif.	Ford	Mumma
Allen, Ill.	Frelinghuysen	Neal
Arends	Fulton	Nicholson
Auchincloss	Gary	Nimtz
Ayres	Gavin	Norblad
Baker	Griffin	Osmer
Baldwin	Gubser	Ostertag
Bass, N. H.	Hagen	Patterson
Bates	Hale	Pelly
Baumhart	Haley	Pillion
Beamer	Halleck	Poff
Becker	Harden	Qule
Bennett, Mich.	Harrison, Nebr.	Ray
Bentley	Harrison, Va.	Reece, Tenn.
Betts	Harvey	Reed
Boland	Haskell	Rhodes, Ariz.
Bolton	Henderson	Rhodes, Pa.
Bosch	Herlong	Riehlman
Boyle	Hess	Robison, N. Y.
Bray	Hiestand	Rodino
Broomfield	Hill	Rogers, Mass.
Brown, Ohio	Hillings	Sadlack
Brownson	Hoeven	St. George
Broyhill	Hoffman	Saylor
Budge	Holt	Schenck
Bush	Holtzman	Scherer
Byrne, Ill.	Hosmer	Schwengel
Byrnes, Wis.	Hyde	Scott, Pa.
Carrigg	Jackson	Scudder
Cederberg	James	Seely-Brown
Chamberlain	Jenkins	Siler
Chenoweth	Johansen	Smith, Calif.
Chiperfield	Kearns	Staggers
Church	Keating	Stauffer
Clark	Kelly, N. Y.	Taber
Clevenger	Kilburn	Talle
Coffin	Knox	Taylor
Collier	Lafore	Tewes
Corbett	Laird	Thomson, Wyo.
Cramer	Latham	Tollefson
Cretella	Lipscomb	Van Pelt
Cunningham,	McCulloch	Van Zandt
Iowa	McDonough	Vursell
Cunningham,	McGregor	Wainwright
Nebr.	McIntosh	Westland
Curtin	McVey	Wharton
Curtis, Mass.	Macdonald	Whidall
Curtis, Mo.	Mack, Wash.	Williams, N. Y.
Dague	Mailliard	Wilson, Calif.
Dawson, Utah	Martin	Wilson, Ind.
Delaney	Mason	Withrow
Dennison	May	Wolverton
Derounian	Meador	Yates
Devereux	Merrow	Younger
Dorn, N. Y.	Michel	
Dwyer	Miller, Md.	

NAYS—211

Abbutt	Burleson	Flynt
Abernethy	Byrne, Pa.	Forrester
Albert	Canfield	Fountain
Alexander	Cannon	Frazier
Andersen,	Carnahan	Gathings
H. Carl	Celler	George
Anderson,	Chelf	Granahan
Mont.	Christopher	Gray
Andrews	Coad	Green, Oreg.
Anfuso	Colmer	Gregory
Ashley	Cooley	Griffiths
Ashmore	Davis, Ga.	Gross
Aspinall	Dawson, Ill.	Hardy
Avery	Dent	Harris
Bailey	Denton	Hays, Ark.
Barden	Diggs	Healey
Bass, Tenn.	Dixon	Hébert
Beckworth	Dollinger	Hemphill
Belcher	Donohue	Holmes
Bennett, Fla.	Dorn, S. C.	Horan
Berry	Dowdy	Huddleston
Blicht	Durham	Hull
Boggs	Edmondson	Ikard
Bolling	Elliott	Jarman
Bonner	Engle	Jennings
Boykin	Everett	Jensen
Breeding	Evins	Johnson
Brooks, La.	Farbsteln	Jonas
Brooks, Tex.	Fascell	Jones, Ala.
Brown, Ga.	Felghan	Jones, Mo.
Brown, Mo.	Fisher	Judd
Burdick	Flood	Karsten

Keogh	Multer	Scrivner	Aspinall	Hardy	O'Neill	Mason	Ray	Smith, Calif.
Kilday	Murray	Selden	Avery	Harris	Passman	May	Reece, Tenn.	Stagers
Kilgore	Natcher	Shuford	Barden	Hays, Ark.	Patman	Meader	Reed	Stauffer
King	Norrell	Sikes	Bass, Tenn.	Healey	Perkins	Morrow	Rhodes, Ariz.	Taber
Kitchin	O'Brien, Ill.	Simpson, Ill.	Beckworth	Hébert	Post	Michel	Rhodes, Pa.	Talle
Kluczynski	O'Brien, N. Y.	Simpson, Pa.	Belcher	Hemphill	Philbin	Miller, Md.	Riehlman	Teague, Calif.
Knutson	O'Hara, Ill.	Sisk	Bennett, Fla.	Hoeven	Pilcher	Miller, N. Y.	Robison, N. Y.	Thomas
Krueger	O'Hara, Minn.	Smith, Kans.	Bennett, Mich.	Holmes	Poage	Minshall	Robison, Ky.	Thompson, N. J.
Landrums	O'Konski	Smith, Miss.	Bentley	Horan	Polk	Morano	Rodino	Thomson, Wyo.
Lane	O'Neill	Smith, Va.	Berry	Huddleston	Porter	Mumma	Rogers, Fla.	Udall
Lankford	Passman	Spence	Blitch	Hull	Preston	Neal	Rogers, Mass.	Vanik
LeCompte	Fatman	Springer	Boggs	Ikard	Price	Nicholson	Sadlak	Van Zandt
Lennon	Perkins	Steed	Bolling	Jarman	Prouty	Nimtz	St. George	Vorys
Lesinski	Pfost	Sullivan	Bonner	Jennings	Quie	O'Brien, Ill.	Saylor	Vursell
Libonati	Philbin	Teague, Calif.	Boykin	Jensen	Rabaut	O'Hara, Ill.	Schenck	Wainwright
Loser	Pilcher	Teague, Tex.	Breeding	Johnson	Rees, Kans.	Osmers	Scherer	Westland
McCarthy	Poage	Teller	Brooks, La.	Jonas	Reuss	Ostertag	Schwengel	Widnall
McCormack	Polk	Thomas	Brooks, Tex.	Jones, Ala.	Riley	Patterson	Scott, Pa.	Wilson, Calif.
McFall	Porter	Thompson, N. J.	Brown, Ga.	Jones, Mo.	Roberts	Pelly	Scudder	Wilson, Ind.
McGovern	Powell	Thompson, Tex.	Brown, Mo.	Karsten	Robeson, Va.	Pillion	Seely-Brown	Wolverton
McIntire	Preston	Thornberry	Burdick	Keogh	Rogers, Colo.	Poff	Siler	Yates
McMillan	Price	Trimble	Burleson	Kilburn	Rogers, Tex.	Powell	Simpson, Pa.	Younger
Machrowicz	Prouty	Tuck	Bush	Kilday	Rooney			
Mack, Ill.	Rabaut	Udall	Byrne, Pa.	Kilgore	Roosevelt			
Madden	Rees, Kans.	Ullman	Byrnes, Wis.	King	Rutherford			
Magnuson	Reuss	Vanik	Cannon	Kitchin	Santangelo			
Mahon	Riley	Vinson	Carnahan	Knox	Saund			
Marshall	Roberts	Vorys	Carrigg	Knutson	Scott, N. C.			
Matthews	Robeson, Va.	Weaver	Celler	Krueger	Scrivner			
Metcalf	Robson, Ky.	Whitener	Chelf	Laird	Selden			
Miller, Calif.	Rogers, Colo.	Whitten	Chenoweth	Landrum	Shuford			
Miller, Nebr.	Rogers, Fla.	Wier	Christopher	Lane	Sikes			
Mills	Rogers, Tex.	Williams, Miss.	Coad	Lankford	Simpson, Ill.			
Mitchell	Rooney	Willis	Coffin	LeCompte	Sisk			
Montoya	Roosevelt	Winstead	Colmer	Lennon	Smith, Kans.			
Morgan	Rutherford	Wright	Cooley	Lesinski	Smith, Miss.			
Morris	Santangelo	Young	Davis, Ga.	Loser	Smith, Va.			
Moss	Saund	Zablocki	Dawson, Ill.	McCarthy	Spence			
Moulder	Scott, N. C.	Zelenko	Dent	McCormack	Springer			

NOT VOTING—46

Baring	Friedel	Moore
Barrett	Garmatz	Morrison
Blatnik	Glenn	Radwan
Bow	Gordon	Rains
Buckley	Grant	Rivers
Byrd	Green, Pa.	Sheehan
Byrd	Gwinn	Shelley
Coudert	Hays, Ohio	Sheppard
Davis, Tenn.	Heselton	Sieminski
Dellay	Hollifield	Thompson, La.
Dies	Holland	Utt
Dingell	Kean	Waiter
Dooley	Kearney	Watts
Doyle	Kee	Wigglesworth
Eberharter	Kirwan	
Fallon	Long	
Forand		

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:
 Mr. Heselton for, with Mr. Byrd against.
 Mr. Kean for, with Mr. Shelley against.
 Mr. Coudert for, with Mr. Watts against.
 Mr. Glenn for, with Mr. Morrison against.
 Mr. Radwan for, with Mr. Barrett against.
 Mr. Bow for, with Mr. Hays of Ohio against.
 Mr. Moore for, with Mr. Doyle against.
 Mr. Sheehan for, with Mr. Blatnik against.
 Mr. Wigglesworth for, with Mr. Hollifield against.
 Mr. Gwinn for, with Mr. Davis of Tennessee against.
 Mr. Dooley for, with Mr. Dies against.

Until further notice:
 Mr. Holland with Mr. Kearney.

Mr. ADDONIZIO, Mr. STAGGERS, and Mr. BENNETT of Michigan changed their votes from "nay" to "yea."

The SPEAKER. The question is on passage of the bill.

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

The yeas and nays were ordered.

The question was taken; and there were—yeas 211, nays 172, not voting 47, as follows:

[Roll No. 28]

YEAS—211

Abbutt	Andersen,	Andrews
Abernethy	H. Carl	Anfuso
Albert	Anderson,	Ashley
Alexander	Mont.	Ashmore

Adair	Corbett	Harrison, Va.
Addonizio	Cramer	Harvey
Alger	Cretella	Haskell
Allen, Calif.	Cunningham,	Henderson
Allen, Ill.	Iowa	Herlong
Arends	Cunningham,	Hess
Auchincloss	Nebr.	Hiestand
Ayres	Curtin	Hill
Baker	Curtis, Mass.	Hillings
Baldwin	Curtis, Mo.	Hoffman
Bass, N. H.	Dague	Holt
Bates	Dawson, Utah	Holtzman
Baumhart	Delaney	Hosmer
Beamer	Dennison	Hyde
Becker	Derounian	Jackson
Betts	Devereux	James
Boland	Dixon	Jenkins
Bolton	Dorr, N. Y.	Johansen
Bosch	Dwyer	Judd
Boyle	Feighan	Kearns
Bray	Fenton	Keating
Broomfield	Fino	Kelly, N. Y.
Brown, Ohio	Fogarty	Kluczynski
Brownson	Ford	Lafore
Broyhill	Frelinghuysen	Latham
Budge	Fulton	Libonati
Byrne, Ill.	Gary	Lipscomb
Canfield	Gavin	McCulloch
Cederberg	Griffin	McDonough
Chamberlain	Gubser	McGregor
Chiperfield	Hagen	McIntire
Church	Hale	McVey
Clark	Haley	Macedonald
Clevenger	Halleck	Madden
Collier	Harden	Mailliard
	Harrison, Nebr.	Martin

NAYS—172

Adair	Corbett	Harrison, Va.
Addonizio	Cramer	Harvey
Alger	Cretella	Haskell
Allen, Calif.	Cunningham,	Henderson
Allen, Ill.	Iowa	Herlong
Arends	Cunningham,	Hess
Auchincloss	Nebr.	Hiestand
Ayres	Curtin	Hill
Baker	Curtis, Mass.	Hillings
Baldwin	Curtis, Mo.	Hoffman
Bass, N. H.	Dague	Holt
Bates	Dawson, Utah	Holtzman
Baumhart	Delaney	Hosmer
Beamer	Dennison	Hyde
Becker	Derounian	Jackson
Betts	Devereux	James
Boland	Dixon	Jenkins
Bolton	Dorr, N. Y.	Johansen
Bosch	Dwyer	Judd
Boyle	Feighan	Kearns
Bray	Fenton	Keating
Broomfield	Fino	Kelly, N. Y.
Brown, Ohio	Fogarty	Kluczynski
Brownson	Ford	Lafore
Broyhill	Frelinghuysen	Latham
Budge	Fulton	Libonati
Byrne, Ill.	Gary	Lipscomb
Canfield	Gavin	McCulloch
Cederberg	Griffin	McDonough
Chamberlain	Gubser	McGregor
Chiperfield	Hagen	McIntire
Church	Hale	McVey
Clark	Haley	Macedonald
Clevenger	Halleck	Madden
Collier	Harden	Mailliard
	Harrison, Nebr.	Martin

NOT VOTING—47

Baring	Friedel	Mitchell
Barrett	Garmatz	Moore
Blatnik	Glenn	Morrison
Bow	Gordon	Radwan
Buckley	Grant	Rains
Byrd	Green, Pa.	Rivers
Coudert	Gwinn	Sheehan
Davis, Tenn.	Hays, Ohio	Shelley
Dellay	Heselton	Sheppard
Dies	Hollifield	Sieminski
Dingell	Holland	Thompson, La.
Dooley	Keen	Utt
Doyle	Kearney	Walter
Eberharter	Kee	Watts
Fallon	Kirwan	Wigglesworth
Forand	Long	

So the joint resolution was passed.
 The Clerk announced the following

pairs:

On this vote:
 Mr. Garmatz for, with Mr. Wigglesworth against.
 Mr. Fallon for, with Mr. Sheehan against.
 Mr. Friedel for, with Mr. Moore against.
 Mr. Rains for, with Mr. Bow against.
 Mr. Grant for, with Mr. Coudert against.
 Mr. Mitchell for, with Mr. Walter against.
 Mr. Buckley for, with Mr. Kean against.
 Mr. Watts for, with Mr. Radwan against.
 Mr. Dies for, with Mr. Dooley against.
 Mr. Sheppard for, with Mr. Gordon against.
 Mr. Forand for, with Mr. Gwinn against.
 Mr. Green of Pennsylvania for, with Mr. Heselton against.
 Mr. Thompson of Louisiana for, with Mr. Glenn against.
 Mr. Kirwan for, with Mr. Dellay against.

Until further notice:
 Mr. Sieminski with Mr. Utt.
 Mr. Long with Mr. Kearney.

Mr. VAN ZANDT changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The title of the resolution was amended to read: "Joint resolution to stay temporarily any reduction in support prices or acreage allotments."

NATIONAL LOTTERY BILL

Mr. FINO. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. FINO. Mr. Speaker, while we in this Congress continue to ignore the tremendous revenue-producing features of my national lottery bill, many of our States throughout this country are taking full advantage of and capitalizing

on the natural betting urge of the American people.

Several days ago the New York State Assembly passed unanimously a bill extending the racing season for an additional 5 days. This legislative action will not only further satisfy the gambling spirit of the people of New York but, more importantly, it would enable the State to pick up more than \$1 million a year in additional revenue.

Mr. Speaker, in the past year, the State racing commissions throughout this Nation have been extending their racing days. Only recently, the State of Maryland opened its 1958 season at Bowie on February 8, in the dead of winter. I am sure no one is so naive to believe that these extensions of the racing seasons are based on any desire to breed better horses. That is absolute nonsense. The purpose is obvious—it means increased revenue to the State treasuries.

Recently, the New York City Council passed a resolution calling upon the State legislature to permit a referendum on the question of legalizing off-track betting. Needless to say, this request was prompted not only because of the city's concern over its failure to control the gambling instincts of man but because New York City feels that this source of revenue should be legally tapped to help relieve the heavy pressure borne by the taxpayers.

Mr. Speaker, evidence of the known fact that the urge to gamble is deeply ingrained in humans was shown last November when the people of the State of New York voted overwhelmingly in favor of bingo. This approval not only clothes our bingo players with complete respectability and legality but will help our religious, fraternal, and charitable organizations to finance their causes and improvements with greater ease.

All of these legislative movements represent not only a complete recognition of the well known fact that the urge to gamble is as old as mankind itself but the acceptance of the principle that regulation by law will provide the State governments with additional funds which could and would help to relieve some of the unconscionable burden borne by the taxpayers.

Mr. Speaker, several weeks ago, Percival F. Brundage, our former Budget Director, in answer to a question on the televised program, Youth Wants To Know, said: "I must admit that I hate to see all the benefits of the gambling that there is going to the underworld. I would like to find some way of tapping it."

Mr. Speaker, for 6 years, I have been urging Congress to enact my national lottery bill which, in the opinion of 59 percent of the American people, is the only way to tap this source of revenue. The national lottery bill is not a gambling measure but rather a revenue-making bill which would raise \$10 billion a year—voluntarily and painlessly.

Mr. Speaker, my national lottery bill deserves the deepest consideration and this Congress has no right to be careless, more particularly at this time, of possible tax and revenue advantages offered

by this fiscal measure. Now is the time to wipe out hypocrisy and seriously consider the merits of this legislation.

UNEMPLOYMENT BENEFITS

Mr. SIKES. Mr. Speaker, I ask unanimous consent to extend my remarks at this point.

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

There was no objection.

Mr. SIKES. Mr. Speaker, I have been seriously concerned with the problem of the unemployed who are exhausting their eligibility for State unemployment benefits. I do not feel that this Nation is confronted with a serious threat of depression. I believe that the recession in which we now find ourselves is very largely the result of a buyers' strike, plus a lack of confidence in our own national security. People are tired of constantly increasing prices. The Russian breakthrough in the field of satellites early last fall and recent Russian diplomatic progress shook American confidence in our own Government. The combination has resulted in a very cautious buying mood. It is significant that savings are increasing steadily. The Nation is not in economic danger. The percentage of unemployed is less than one-third that which we experienced at the depth of the depression in the 1930's. There are ample cushions against depression and only through sheerest folly could we talk recession into something approximating a depression.

This generally optimistic outlook, however, does not contradict the fact that those who are unemployed are having a difficult time. Ordinarily, a recession brings one compensating factor in that prices come down. In this instance they are continuing to increase. No greater service could be done to this Nation today than for management and labor jointly to find a means to bring prices down. This is the most important single step that could be taken to end recession and to stop completely any trend toward a depression which exists. But, for the moment, Congress has a responsibility and it should move quickly toward the development of a formula that would permit extensions of benefits at State levels and thereby to encourage State action to make permanent improvements in the amount and duration of these benefits.

Florida is fortunate in that the number of unemployed is among the lowest percentagewise in the Nation. In February there were 26,040 unemployed. This number is 3.3 percent of the total number of workers. A year ago there were 14,158 unemployed which was 2.17 percent of the workers. It is an interesting commentary that although the percentage in unemployed has increased, the number who holds jobs in Florida is now greater than was true a year ago. The number of persons employed in Florida is estimated at 1,602,000 at this time; whereas, it was 1,567,000 a year ago. This situation is brought about by the fact that Florida is growing rapidly and that many new people have moved into the State in the past 12 months.

Offsetting this favorable picture, however, is the fact that Florida's protection for its unemployed is the shortest in the Nation. Our maximum duration of unemployment pay for a worker is only 16 weeks. I believe there are no States with shorter periods. Our average weekly unemployment pay is \$23.87 per week. Although this is not the lowest, it is among the lowest averages in the Nation. One State, Pennsylvania, has a 30 weeks' maximum duration of unemployment pay. Nevada shows an average weekly unemployment pay of \$38.71. For comparison purposes, the lowest average weekly unemployment pay is North Carolina with \$19.70. Thus, Florida's unemployed, although low in number, will be very adversely affected unless there is an extension of the duration of unemployment compensation benefits. Florida's unemployment compensation laws, like those of most States, were enacted when prices were much lower and they do not adequately deal with today's problems.

The President has recognized that this is a problem which affects the Nation and I am pleased that his leadership has been exerted toward an extension of benefits. Since unemployment is increasing in severity, there must be immediate action on the part of the Congress. Possibly this will have to be done on a temporary basis. Certainly we cannot wait for State action to bring a long-range permanent solution, since most of the State legislatures do not meet until next year. While unemployment benefits certainly are not thought of as a measure to end a recession, it is nevertheless true that increases in unemployment benefits will help to bolster the economy. These benefits will immediately be paid out by the recipients for items essential to livelihood. The principal matter to consider, however, is the fact that from a humanitarian standpoint, we cannot ignore the plight of those who soon will have nothing to which to turn for the necessities of life.

AID OLDER CIVIL SERVICE PENSIONERS

Mr. LANE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. LANE. Mr. Speaker, effective October 1, 1956, Congress rewrote the Civil Service Retirement Act to provide an increase averaging 25 percent in the retirement benefits of all eligible Federal employees who were pensioned off after that date.

In doing so, the Government fulfilled part of its moral obligation toward civil-service annuitants. But what about those who retired in the years before October 1, 1956? H. R. 607, makes up for the oversight, by extending increased benefits to them.

Many of these older retirees paid in dollars that were worth 100 cents, as their contributions to the retirement fund, and are being paid back in dollars

that are only worth half as much in purchasing power. Long before social security was dreamed of, in fact as early as August 1920, they were contributing 2½ percent of their salaries, or more than workers covered by social security are contributing today.

When social security became law, Federal employees were already contributing the increased rate of 3½ percent. In view of their higher contributions, they should receive proportionately more in benefits. Yet I know of some letter carriers and postal clerks who retired before October 1, 1956, and their annuities barely enable them to scrape by.

A retirement annuity for a person who has given most of his working years to the service of the United States Government should provide a modest income that will free him from the fear of want.

In the group which this bill is designed to help, present annuities are not sufficient to give them the minimum income necessary for their basic material requirements and some peace of mind. This bill provides an increase of 10 percent, but shall not apply where annuitants earn more than \$1,200 in gainful employment that includes wages, salary, or income from self-employment, in any one calendar year after their retirement from the Federal service.

The President and the Civil Service Commission suspended all age retirements scheduled for July, August, and September of 1956 so that the employees affected would receive the benefits of the new law. A section of the bill under consideration will make the 1956 amendments retroactively effective for the benefit of those employees who were separated in the months prior to the date of enactment, if they had annual leave sufficient to have carried them to July 31, 1956.

This section permits an employee, who qualifies, to choose between (a) his present old-law annuity, including any increase under the act of August 11, 1955, and under this bill; and (b) an annuity under the 1956 act without such increases.

Section 4 provides that the annuities and increases in annuities granted under the preceding sections will be paid from the civil-service retirement and disability fund through the fiscal year which ends June 30, 1960, and thereafter will be terminated for any fiscal year for which the Congress fails to make appropriation to compensate the fund for the cost of such annuities and increases in annuities. It seems to me that we should be guided by the fifth report of the Committee on Retirement Policy for Federal Personnel which states:

The problem of adjusting the annuity benefits of retired employees and of the survivors of former employees is one which must be resolved from time to time as circumstances require, e. g., a substantial increase in the cost of living. The committee believes that it is incumbent on the Congress when adjusting the current pay of Government employees or when liberalizing the benefit formula for future annuitants to reexamine the benefits paid to annuitants already on the rolls with a view to adjusting their annuities as warranted.

Those who retired from Federal employment before October 1, 1956, have made a strong case for equal entitlement to the increases given to those who retired after that date. And with pay raises for Federal employees, to be enacted at this session, we can do no less for the older annuitants.

As soon as the Federal pay raise bills are passed, the bill to provide increases in certain annuities payable from the civil-service retirement and disability fund, and for other purposes, becomes mandatory. Private industry has set the precedent by maintaining annuities on a basis commensurate with current pay scales.

However, of the 246,362 annuitants on the civil-service retirement roll of June 30, 1956, 93,958, or 38 percent were receiving less than \$100 per month, or fractionally under \$25 per week.

The Federal Government must get up to date and increase the benefits for its former employees who retired before October 1, 1956.

SECOND SUPPLEMENTAL APPROPRIATION BILL

Mr. CANNON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 10881), the second supplemental appropriation bill, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Missouri? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. CANNON, THOMAS, WHITTEN, ROONEY, TABER, H. CARL ANDERSEN, and CLEVENGER.

GENERAL LEAVE TO EXTEND REMARKS

Mr. COOLEY. Mr. Speaker, I ask unanimous consent that all Members who desire to do so may have 5 legislative days in which to extend their remarks in the RECORD on Senate Joint Resolution 162.

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

There was no objection.

TRANSFER OF THE CIVIL SERVICE COMMISSION BUILDING IN THE DISTRICT OF COLUMBIA TO THE REGENTS OF THE SMITHSONIAN INSTITUTION

Mr. THOMPSON of New Jersey. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 9145) to provide for the transfer of the Civil Service Commission Building in the District of Columbia to the Regents of the Smithsonian Institution to house the National Collection of Fine Arts and a National Portrait Gallery.

The Clerk read the title of the bill.

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

Mr. LECOMPTE. Mr. Speaker, reserving the right to object, will the gentleman from New Jersey explain this bill?

Mr. THOMPSON of New Jersey. Yes. This bill simply takes the Patent Office Building which is now used as office space by the Civil Service Commission, and following the period of use by that Commission until it moves to a building which has been authorized, and transfers it to the Smithsonian Institution or the regents thereof for use as a depository for the national collection and for other purposes.

Mr. LECOMPTE. It was voted out unanimously?

Mr. THOMPSON of New Jersey. It was; and there is no money involved in this bill.

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

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

Be it enacted, etc., That it is the policy of the Congress and the purpose of this act to provide for the exhibition of the National Collection of Fine Arts, and a collection of the portraits of eminent American men and women, in accordance with the best practices of the world's leading art galleries and museums.

SEC. 2. (a) The Administrator of General Services shall transfer the Civil Service Commission Building (formerly known as the Patent Office Building), and the site thereof located between Seventh and Ninth Streets and F and G Streets NW, in the District of Columbia, to the Regents of the Smithsonian Institution, without reimbursement, for use as the permanent home of the National Collection of Fine Arts and a National Portrait Gallery for the display of the portraits of eminent American men and women. Such transfer shall be made at such time as the Administrator of General Services determines that the use of the building by the Civil Service Commission for office purposes is no longer essential, but in any event within 5 years after the date of the enactment of this act.

(b) The Administrator of General Services, in consultation with the Regents of the Smithsonian Institution, is authorized to enter into such contracts and take such other action as may be necessary to furnish and equip the Civil Service Commission Building and render it suitable for use as the permanent home of the National Collection of Fine Arts and as a National Portrait Gallery.

With the following committee amendment:

Strike out all after the enacting clause and insert: "That (a) the Administrator of General Services shall transfer the Civil Service Commission Building (formerly known as the Patent Office Building), and the site thereof located between Seventh and Ninth Streets and F and G Streets Northwest in the District of Columbia, to the Smithsonian Institution without reimbursement, for the use of certain art galleries of the Smithsonian Institution.

"(b) The transfer provided for by subsection (a) shall be made at such time as the Administrator of General Services determines that the use of the building by the Federal Government for office purposes is no longer essential.

"(c) The Administrator of General Services, in consultation with the Smithsonian Institution, is authorized to enter into such contracts and take such other action as may be necessary to make it suitable to

house certain art galleries of the Smithsonian Institution upon transfer of funds available to the Smithsonian Institution for such purposes."

Amend the title so as to read: "A bill to provide for the transfer of the Civil Service Commission Building in the District of Columbia to the Smithsonian Institution to house certain art collections of the Smithsonian Institution."

The committee amendment was agreed to.

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

Mr. THOMPSON of New Jersey. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 984) to provide for the transfer of the Civil Service Commission Building in the District of Columbia to the Smithsonian Institution to house certain art collections of the Smithsonian Institution.

The clerk read the title of the bill.

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

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

Be it enacted, etc., That (a) the Administrator of General Services shall transfer the Civil Service Commission Building (formerly known as the Patent Office Building), and the site thereof located between Seventh and Ninth Streets and F and G Streets Northwest in the District of Columbia, to the Smithsonian Institution without reimbursement, for the use of certain art galleries of the Smithsonian Institution.

(b) The transfer provided for by subsection (a) shall be made at such time as the Administrator of General Services determines that the use of the building by the Federal Government for office purposes is no longer essential.

(c) The Administrator of General Services, in consultation with the Smithsonian Institution, is authorized to enter into such contracts and take such other action as may be necessary to make it suitable to house certain art galleries of the Smithsonian Institution upon transfer of funds available to the Smithsonian Institution for such purposes.

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

A similar House bill, H. R. 9145, was laid on the table.

THE NATIONAL COLLECTION OF FINE ARTS AND THE NATIONAL PORTRAIT GALLERY

Mr. THOMPSON of New Jersey. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. THOMPSON of New Jersey. Mr. Speaker, Senator HUBERT H. HUMPHREY, of Minnesota, joined me in sponsoring legislation in 1956 to transfer the historic Patent Office Building in Washington to the Smithsonian Institution to establish a permanent headquarters building for the National Collection of

Fine Arts and a National Portrait Gallery and the important program in contemporary art authorized by the 75th Congress in 1938 in Public Resolution 95. We were joined in this Congress by Senator CLINTON P. ANDERSON, of New Mexico, in sponsoring legislation for these and similar worthy purposes.

The National Collection of Fine Arts was established more than a century ago by the Congress and is now valued at more than \$10 million. During most of this time the collection has been most inadequately housed in the Natural History Museum. At the same time, the true role of the national collection in our national life has been described by those competent to judge these matters as similar to the Tate Gallery in England, and the Luxembourg in France.

When the Mellon request was being considered by the Congress Senator La Follette strongly objected to the provision that "no works of art shall be included in the permanent collection of the National Gallery of Art unless they are of similar high standard of quality to those in the collection acquired by the donor." He contended that this provision would rule out "the development of American art which is modern in character and indigenous to the history, the background, and the traditions of the people of the United States." Senator La Follette urged that the legislation accepting the gift of Andrew W. Mellon be amended to provide encouragement and recognition to living artists. After all, as he clearly saw, a dead painter cannot paint.

When Senator La Follette's proposal failed, Public Resolution 95, 75th Congress, was enacted into law providing for a great art gallery, complementing the Mellon Gallery of Art, to house the National Collection of Fine Arts, to establish a National Portrait Gallery, and to provide for an important program of contemporary art.

The art of our country is important; make no mistake about that. Look at the beautiful book *Three Hundred Years of American Painting*, and the interesting book *America's Arts and Skills*, recently published by Time and Life magazines, if you want to obtain a quick picture of its scope. Of course, there are a thousand other books of equal merit dealing with this important aspect of our national life. After reading these works you will see how baseless are the charges of our enemies that our citizens have no concern with the great cultural heritage of the West, that we are cultural barbarians, that we are interested only in material things.

Unfortunately, there is no national museum of American arts and skills where our own people can see the exciting story of our own contributions to painting, sculpture, and architecture, where our young people can learn of our own great accomplishments, where they can obtain a truer picture of what we believe in than is presented by the comic-strip art of our newspapers and by the Elvis Presleys of television fame.

With a building of its own, I am sure that the National Collection of Fine Arts will attract gifts from many citizens

throughout the country. That has been proven to be the case with the National—Mellon—Gallery of Art. I am convinced that people at present hesitate to make gifts to the National Collection of Fine Arts, not knowing where and how these gifts will be exhibited.

The National Gallery of Art is now 17 years old. It will be recalled that in 1936 Andrew W. Mellon wrote to President Franklin D. Roosevelt offering his collection, and a great building to house it, to the Nation. The National Gallery soon became a reality and it has grown from a half-empty museum to a world-renowned gallery, the exhibit rooms of which are filled with the works of the greatest artists of the world through many centuries. The National Gallery has fulfilled the hope of its founder that "it would become not a static but a living institution, growing in usefulness and importance to artists, scholars, and the general public."

Two dissimilar men, Franklin Delano Roosevelt, often described as the most intelligent President about art since Jefferson, and Andrew W. Mellon, have, through this great cultural monument, made enduring contributions to enrich the life of this Nation. In the years that have passed since its doors were opened nearly 30,000,000 visitors have entered to study and to learn what man is capable of when he has vision and talent.

So, I would hope that the National Collection of Fine Arts and the National Portrait Gallery would similarly serve the Nation in their own way. It is instructive to recall that the Committee on the Library of the 75th Congress in 1938 said in an official report on this subject that—

Your committee are impressed by the moral obligation of the Government to make adequate provision for the preservation and exhibition of objects of art which have been accepted by its authorization.

The committee are further impressed by the lack of a gallery where portraits of eminent national characters may be worthily displayed, to inspire emulation on the part of rising generations. In this the Government is behind the practice of other enlightened countries, where national portrait galleries are notable institutions.

Finally, the great impetus lately given to national culture by the Government's encouragement of contemporary artists can hardly go on, greatly desirable though it is, without providing a place where the public may see and learn to appreciate the artistic work of their own people and generation.

It will be recalled that the great gift of the late Andrew W. Mellon to the Nation for art carried the condition that the gallery he gave should contain nothing but masterpieces of oil painting and of sculpture. It is to be expected that art collections of great value will be offered by private citizens to the National Gallery of Art from time to time, of which certain portions will come within the conditions just named, and be admitted to the great gallery which Mr. Mellon has given. Other portions, perhaps of contemporary art, perhaps of jewelry, tapestry, or other branches of art, while not less worthy, may not be admissible. Such gifts would then find their place in the gallery which this resolution contemplates.

From still another point of view, the relationship between the proposed gallery and the National Gallery is interesting. France has its Luxembourg, where works of art serve, as one might say, their apprenticeship, and

from which some of them graduate when time has tested them to the Louvre as masterpieces. Such it is expected, may be the honorable career of some of the works of art being produced contemporaneously by American artists. For a time they will be seen in the proposed gallery, and at length will go on to the National Gallery when time has proved them worthy.

SMITHSONIAN INSTITUTION TRAVELING
EXHIBITION SERVICE

In the present decade the traveling exhibition service of the National Collection of Fine Arts has been serving an important role in our foreign policy. Since its inception in 1951 it has arranged 972 different showings of its 93 exhibitions in 323 private and public organizations in the United States and Canada. In addition, something like 50 exhibitions were assembled for circulation abroad under the auspices of the United States Information Agency. Art will be exhibited at the Brussels Fair and is expected to be seen by forty to fifty million people.

In many countries a place of honor is given to leaders in the arts and intellectual fields and in religious activities. The intellectual is not dismissed as an egghead. The artist is not called a longhair. The minister of religion is not considered an impractical idealist. The circulation of American art abroad is doing much to dispel the stereotypes held by other peoples about us. This is of vital importance because if we are to continue as a leader of the Free World we must by our acts show that we are a mature and stable people. Many competent observers have reported that people in other countries often think that we in America are too materialistic, have too few ideals, and consider us anti-intellectual, deficient in culture, and superficial in religion.

Dr. Henry T. Heald, president of the Ford Foundation, has warned that education and exercise of the mind are not luxuries but are, in fact, necessities. Speaking to a group of business and financial leaders in New York City's Union League Club yesterday, Dr. Heald warned that America had better stop neglecting its intellectuals and start cherishing them if we want to survive. The former chancellor of New York University declared that "the present military attitude of the great powers seems pointed away from war." "The race today," he said, "is not an arms race but race for political, economic, scientific, even cultural supremacy."

The fact that our Federal Government, from the very beginning, has been concerned with cultural values and the arts, as it has been, conflicts violently with the convenient stereotype so zealously fostered by our enemies abroad in well-directed propaganda campaigns.

It is forgotten, even by our own people, that our Founding Fathers were remarkably well-educated individuals who held that the purpose of the humanities and the fine arts was to mold capable and cultivated human beings who would be capable of conquering a wilderness and building and preserving a nation.

George Washington declared "the prosperity of our country is closely connected with our improvement in the

useful arts" and "the arts and sciences essential to the prosperity of the State and to the ornament and happiness of human life have a primary claim to the encouragement of every lover of his country and mankind."

In his first annual address to the Congress on January 8, 1790, President Washington said:

There is nothing which can better deserve our patronage than the promotion of science and literature. Whether this desirable object will be the best promoted by affording aids to seminaries of learning already established, by the institution of a national university, or by any other expedients, will be worthy of a place in the deliberations of the Legislature.

President Washington believed that an educational program which included the fine arts was essential to enable our youth to develop a true understanding of our form of government and of the true and genuine liberties of mankind. Such a balanced education, he wrote in his will providing funds for a national university, "would have the tendency to spread systematic ideas through all parts of this rising empire, thereby to do away local attachments and State prejudices, as far as the nature of things would, or indeed ought to admit from our national councils."

President Washington, and the Founding Fathers generally were thoroughly a part of the western classic tradition stemming from ancient Greece where music, art, and poetry were a part of the education of every citizen.

I include here a report relative to action by the Congress in the 1930's to provide a suitable home for the National Collection of Fine Arts as well as a National Portrait Gallery. Included also are some of the letters I have received urging that greater attention be given to our own contemporary arts and culture by the Federal Government.

THE LIBRARY OF CONGRESS,
Washington, D. C., March 19, 1958.
The Honorable FRANK THOMPSON, JR.,
House of Representatives,
Washington, D. C.

DEAR MR. THOMPSON: In response to your request we submit the following references to the legislative action relative to Public Resolution 95, 75th Congress, approved on May 17, 1938, to set apart public ground from the Smithsonian Gallery of Art, and for other purposes. Marked copies of the CONGRESSIONAL RECORD containing the debate on this matter and House Report 1900, accompanying the legislation, have been sent to your office:

"H. J. Res. 599. To set apart public ground for the Smithsonian Gallery of Art. Introduced by Mr. Keller and referred to the Committee on the Library, page 2157.

"Reported with amendments (H. Rept. 1900), page 2896.

"Debated, pages 4664, 5488.

"Amended and passed House, page 6058.

"Referred to Senate Committee on the Library, page 6105.

"Passed Senate (in lieu of S. J. Res. 262), page 6230.

"Examined and signed, pages 6424, 6427.

"Presented to the President, page 6517.

"Approved (Public Resolution No. 950), page 7124."

Sincerely yours,

ERNEST S. GRIFFITH,
Director.

WADSWORTH ATHENEUM,
Hartford, Conn.

HON. FRANK THOMPSON, JR.,
House of Representatives,
Washington, D. C.

DEAR MR. THOMPSON: Thank you very much for sending me the copy of your proposed bill. In the first place I think all of us who are interested in the arts should express our appreciation to you for the persistent efforts that you have carried on in Congress in the interests of American art and art in America. It is this leadership which you have displayed which in the long run will produce an effective art program on a governmental level.

In regard to your proposed bill, I think it has considerable merit. It has been proved that art combined with natural history and science suffers as to the other 2 when they are incorporated in the 1 single museum. I think the British realized this when they made in the present century the division at the Victoria and Albert museum, placing the natural history section, the science section, and the arts section under different administrations and set up as individual institutions. It certainly seems to me that the same applies to the Smithsonian Institution. Certainly none of us deprecate the importance of science and natural history to our cultural life. The National Gallery and the Freer are already set up now as separate institutions, and it is my hope that the Smithsonian Art Gallery can achieve the same autonomy. With a building of its own I am sure that it would attract gifts from many citizens throughout our country. That has been proven so certainly in the case of the National Gallery. I think people hesitate to make gifts to the Smithsonian Institution when they consider how and where they will be shown.

Another feature of your proposed bill which appeals to me is the assembling of a collection which may be available for loan to other countries. One of the great problems which we have in organizing international exhibitions is the borrowing of significant paintings from various museums throughout the country. Naturally in order to make an overseas loan pay for itself, it has to run for at least a year, and just as naturally, many collectors, dealers as well as museums are reluctant to let their finest works of art be away from them for that period of time. A permanent collection such as you propose for the Smithsonian would serve as the nucleus for loan exhibitions which might be sent overseas and help bring American culture to various countries. I heartily applaud the work you are doing and wish you every success.

Very sincerely yours,

C. C. CUNNINGHAM,
Director.

SAN FRANCISCO MUSEUM OF ART,
San Francisco, Calif.

MR. FRANK THOMPSON, JR.,
Congressman, House of Representatives,
Congress of the United States,
Washington, D. C.

DEAR MR. THOMPSON: Thank you for sending me a copy of your bill. Naturally I am very sympathetic with the proposal to have a proper gallery for the exhibition of contemporary art.

My own work in the arts and experience with art abroad convinces me that in our art with its great variety and creative freedom we do, indeed, have a very potent instrument for winning the support of free countries everywhere. Our art is a potent illustration of our belief in freedom and the value of the individual.

All good wishes.

Sincerely yours,
GRACE L. McCANN MORLEY,
Director.

THE BALTIMORE MUSEUM OF ART,
Baltimore, Md.

HON. FRANK THOMPSON, Jr.,
House of Representatives,
Washington, D. C.

DEAR MR. THOMPSON: I thank you for sending me a copy of a bill with which I am very much in sympathy, and I do want to let you know that our museum would be glad to display works of art owned by the Smithsonian and care for them until after the completion of a new Smithsonian Gallery of Art.

I am in complete agreement with your statement regarding the importance of getting the peoples of the world on our side through maximum use of the arts, the theater, and educational exchanges, and in making every effort to understand the culture of other peoples.

Your efforts in this direction must be deeply appreciated by all art-loving Americans and on behalf of our museum I thank you most cordially for your persistent work in our behalf.

Very sincerely,
Mrs. ADELYN D. BRESKIN,
Director.

THE AMERICAN ASSOCIATION
OF MUSEUMS,
Washington, D. C.

The Honorable FRANK THOMPSON, Jr.,
House of Representatives,
Washington, D. C.

MY DEAR MR. THOMPSON: May I thank you for your courtesy in sending me the bill introduced in the House of Representatives and referred to the Committee on House Administration.

The American Association of Museums and the American Federation of Arts, in both of which I am active, are very interested in broadening the backing of the arts of our country. We are, therefore, very happy when we have understanding and intelligent backing and we greatly hope that some means may be found to emphasize even more the necessity of backing art of our time.

At the present moment we are having our 38th exhibition of work by Cleveland artists and craftsmen. We have sold \$26,000 worth in less than a week and, as the prices are low, this represents a very large number of works. We have sold \$530,000 worth of Cleveland art in the 38 years of the show which is an evidence that our city is interested in aiding the creative arts.

Any aid that comes from governmental agencies will be gratefully received.

Sincerely yours,
WILLIAM M. MILLIKEN,
President.

MASSACHUSETTS FLOOD CONTROL

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. PHILBIN. Mr. Speaker, Massachusetts has made great progress on needed flood-control projects since the disastrous floods of August 1955. The Massachusetts delegation flood committee recommended eight new construction starts when the Congress met in January of 1956: Barre Falls, Buffumville, East Brimfield, Hodges Village, Worcester diversion, West Hill, Westville, and Littleville.

Of these 8 projects, 2 are nearing the completion stage, Barre Falls and Buffumville.

With the exception of topsoiling, seeding, clearing, and other minor items, scheduled this spring, the Barre Falls Dam and Reservoir on the Ware River is now complete at a total cost of about \$2,030,000. This project will reduce flood stages on the Ware and Chicopee Rivers with resulting flood-prevention benefits for the communities of Barre Plains, Gilbertville, Ware, Thorndike, Three Rivers, North Wilbraham, Ludlow, Indian Orchard, Chicopee Falls and Chicopee.

Buffumville Dam and Reservoir, a \$2,800,000 project on the Little River in Charlton, will be completed this spring. Operation of this dam will reduce flood damages in Webster and Dudley and downstream points of the Quinebaug in Connecticut in the Thames Basin.

Another Thames Basin project, the Hodges Village Dam and Reservoir on the French River in Oxford, will be completed with the funds requested in the 1958-59 civil works appropriation bill, now before our House Appropriations Committee. This is a \$5,300,000 project, for which \$2,700,000 have been budgeted to insure completion of the work by the fall of 1959 or early 1960. The construction contract for the dam was awarded on March 7 by the engineers.

When completed, Hodges Village will reduce flood damage on the French River at Webster and Dudley and downstream points along the Quinebaug in Connecticut.

As the result of the President's request of March 14 for supplemental funds for civil-works projects, work on two projects in Massachusetts will be expedited. The original budgeted request of \$2,800,000 for East Brimfield has now been increased to \$3,800,000, while the Worcester diversion project has been increased from \$2 million to \$2,534,000.

Bids were opened on March 12 for the construction contract on East Brimfield and the Engineers will make an award at an early date to insure a construction start this spring. This is a \$7,300,000 project, scheduled for completion in November 1959. About \$2 million will be required in next year's civil works appropriation bill to complete the work.

The East Brimfield Dam and Reservoir, located on the Quinebaug River in Fiskdale, will help reduce flood stages in many downstream communities, including the major damage centers of the 1955 floods: Southbridge, Putnam, and Norwich.

The Worcester diversion project, designed to divert flood flows from the Kettle Brook drainage area, calls for the construction of a control dam and tunnel at a cost of \$6,113,000, of which the Federal share will be \$5,270,000. Since this is a local protection project the Commonwealth of Massachusetts and the city of Worcester are sharing local costs. The State has furnished the Engineers with real-estate rights for the project, completed relocation of pipelines and utilities, and started construction of three highway bridges. In addition, the city of Worcester has furnished satisfactory assurances to operate and maintain the completed project.

Upon completion, the Worcester diversion project will provide flood protection for extensive industrial and residential areas located along a 5-mile stretch of the Middle and Blackstone Rivers in Worcester. About \$1 million will be required in fiscal year 1959-60 to complete the project.

The remaining three projects recommended for new construction by the Massachusetts delegation flood committee are still in the planning stage, but it is pleasing to note that considerable progress is being made in their advance to the actual construction stage.

Littleville Dam and Reservoir on the Middle Branch of the Westfield River was authorized by the House just recently in the omnibus rivers and harbors authorization bill. When this bill is signed into law by the President, the Army Engineers will then have the necessary authorization to request planning funds for this needed project.

Preconstruction planning will be completed by July 1 on the West Hill project in the Blackstone Basin. Under existing procedures, the Army Engineers would have requested construction funds for West Hill in this year's civil-works appropriation bill. However, the President's budget message of January 13 has resulted in a freeze on new construction starts for all civil-works projects. While the President has requested additional funds for the civil-works program, his January 13 request that "we should not at this time start any new projects in 1959" still maintains the budgetary ban on such worthwhile and urgently needed flood prevention works as West Hill.

This budgetary freeze on new construction is hampering the efforts of our Massachusetts delegation to insure construction money for West Hill this year. Until the President removes this restriction, we will continue to encounter difficulty. I have urged the President to lift this freeze.

I have already been assured of the sympathetic consideration of the Appropriations Committee on West Hill and hope the ban on new construction will be relaxed at an early date so as to permit the start of construction of this vital project.

There is no question about the desirability of West Hill to help solve the flood problems in the Blackstone Basin. The Army Engineers are convinced that it is necessary to reduce flood flows of the Blackstone at Uxbridge and the downstream points of Millville, Blackstone, Woonsocket and Pawtucket.

West Hill is a \$3,560,000 project on the West River about 3 miles north of Uxbridge. Present plans call for a rolled earth-fill dam 2,400 feet long with a maximum height of 48 feet.

The remaining construction start of the eight recommended by the Massachusetts delegation flood committee is the Westville project on the Quinebaug River in Sturbridge. With the companion East Brimfield project, Westville is designed to reduce flood flows through Southbridge and downstream points of the Quinebaug in Massachusetts and Connecticut.

Planning and design of Westville is now under way with the \$100,000 made available by Congress last year. A total of \$141,000 is requested in this year's civil-works appropriation bill to complete the preconstruction planning.

Actual construction of Westville has been in a deferred status at the request of the Army Engineers until such time as East Brimfield is substantially completed.

Final planning of the \$6,550,000 Westville project will now be made possible through the \$141,000 appropriation request, thus insuring that this project will be ready to go forward as new construction in next year's civil-works program.

Mr. Speaker, Massachusetts is well on the road toward obtaining some protection from the disastrous floods of past years. By 1960 those Massachusetts areas hit by the 1955 floods should be afforded a high degree of protection against future floods if present completion schedules of these projects are carried out as authorized. We are eternally grateful to all those in the Congress and the Government who made the early realization of this great flood-control program possible.

FEDERAL BUREAU OF INVESTIGATION

Mr. VANIK. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. VANIK. Mr. Speaker, several months ago a citizen of my district, who had a 9-year-old daughter in Budapest, Hungary, called at my office concerning his efforts over the past 5 years to bring the girl to America. There was no barrier to the child's admission to the United States, since she was the child of American citizens with no physical impairment or legal impediment other than the inhumanity of the Hungarian Government in not granting an exit visa to this child to permit her to join her parents in this country.

At the suggestion of representatives of the State Department, a member of my staff advised this man to visit the Hungarian Embassy and make a personal appeal for the release of his child by the Hungarian Government. Upon this advice, my constituent called at the Hungarian Embassy and presented his plea for the release of his daughter by Hungarian authorities for the purpose of being reunited with her parents in America.

After the man returned to his Cleveland home a day or so later, he was awakened in the early morning hours by two automobiles screeching to a stop in front of his home. The young man from the first car approached his front door while the man from the other ran to his rear door, both seeking admittance to his home at the same time. My constituent was confounded and astonished with the nature of this great commotion. When he went to his back door, the young man at the door flashed his identification as a member of the

FBI and demanded to know of my constituent what his business was the day before at the Hungarian Embassy.

When he told the young men of the FBI the nature of his business, they left his premises. Many people who have come to America from Communist oppression would have responded differently. They might have endangered themselves to escape a wrongful apprehension without realizing that no violation of the law was committed.

While I commend the security forces of our Nation for being alert and vigilant, I cannot be proud of the very costly and crude method that was employed in the subject case to determine the nature of an American citizen's business with the Hungarian Embassy. A telephone call or a letter would have elicited a frank and truthful reply. The method of scrutiny undertaken indicates that the man was observed at the Embassy, followed to his hotel, followed from Washington to Cleveland, and then made the subject of a special day's inquiry by two agents.

In the newspapers a few days ago, I read of a large delegation of Ohio Republican women who apparently had a very delightful day at the Russian Embassy. I wonder if their trip to the Russian Embassy was as carefully scrutinized, investigated, and documented upon the files of our security organizations as was the visit of a citizen who was making a prayerful plea for the release of his 9-year-old daughter.

SECRET DATA RELATING TO MUTUAL SECURITY PROGRAM

Mr. MORGAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. MORGAN. Mr. Speaker, again this year the Committee on Foreign Affairs and the Congress are confronted with the fact that much of the material which has been submitted in support of the mutual security program has been classified by the Departments of Defense and of State as secret. A detailed and comprehensive explanation of the program has been made available to the committee in six volumes, which are so classified.

This classification is made by the Executive, and the Foreign Affairs Committee has nothing to do with it. The committee desires that as many Members of the House as possible familiarize themselves with the details of the mutual security program. The Defense and State Departments have agreed that the committee make available these volumes to any Member of the House desiring to examine them, with the understanding that the security classification will be observed. Members of the House are invited to come to the committee room, G-3, on the gallery floor of the Capitol to examine the six volumes, and the books will also be available at the committee table on the floor of the House

during consideration of the mutual security bill.

I want to emphasize that most of this information is not classified. Each volume, however, contains material which, in the judgment of the Executive, would either give an advantage to our enemies or endanger our relations with friendly nations. All classified material is clearly designated. I hope Members of the House will take advantage of this opportunity to give to this very important program the careful examination which it deserves.

A CURE FOR CHRONIC UNEMPLOYMENT AREAS

Mr. LANE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. LANE. Mr. Speaker, a number of the 149 major labor-market areas of the United States have had 6 percent or more of their workers unemployed ever since 1952.

Others have been in this category—and out—and back again.

Recession? These communities have had a steady diet of it, even during the years when the Nation as a whole was booming with prosperity.

Those of us who dared to face up to this disturbing fact, and to insist on a positive program to correct it, have been advised: "Hush, hush. The situation will right itself if we just leave it alone."

This do-nothing policy on the part of the Federal Government has not solved the problem.

Too large a percentage of the displaced workers, particularly those in the upper-age brackets, are still unemployed in these labor-surplus areas. They are too young to retire, and too old to be employed, at least in the pension and insurance-conscious view of some industries.

The effort to escape responsibility for this problem by hiding it in the closet has failed.

The rise in unemployment, extending to regions and industries that have enjoyed uninterrupted prosperity until now, has focused attention on the problem of chronically distressed areas.

As the AFL-CIO Economic and Legislative Conference that met in Washington on March 11, 12, and 13, reported:

Whatever the specific cause of chronic local area distress may be, the problem cannot be solved by a local effort alone; nor can hundreds of thousands of people simply be told to pack up and move on. The entire Nation has a stake in helping these fellow citizens restore their depressed communities to a state of health once again. We just cannot afford to let the cancerous growth of local blight fester and spread.

Some of these labor-market areas have had 6 percent or more of their workers unemployed ever since 1952.

In April 1953 I introduced an industrial redevelopment bill to assist these areas. Other Representatives and Senators introduced similar bills.

Two years ago, the Douglas-Spence Area Redevelopment Act was passed by the Senate; it was then favorably reported by the Committee on Banking and Currency of the House; but fell victim to the astringent economy wave that depressed business at home, and weakened, at least temporarily, our international prestige and leadership.

Those mistakes can be overcome, if we take positive action now.

Longstanding economic problems cannot be brushed aside.

The basic weaknesses of labor-surplus areas can and must be corrected by Federal help and cooperation:

By pushing through in this session—and as soon as possible—legislation to provide low interest Federal loans to aid the construction of modern plants in chronically distressed areas, that will modernize and diversify their economies.

To provide Federal grants and loans for the construction of essential public facilities that are needed to attract and hold industry, like improved water supply and sewerage systems.

We would be happy if the President would speak out in support of this legislation, and, coincident with it, call for an acceleration in the urban redevelopment programs for such areas.

Because industrial and commercial redevelopment must work hand in hand with urban redevelopment for the integrated rejuvenation of these areas that, for various reasons beyond their control, have been unable to make the substantial economic transition required of them.

With 6 percent or more of their workers unemployed ever since 1952 the warning becomes clear.

Only the help provided through area redevelopment legislation will succeed in curing their chronic unemployment.

IF THE TRANSPORTATION SYSTEM OF THE NATION IS TO SURVIVE FEDERAL EXCISE TAXES ON THE TRANSPORTATION OF PERSONS AND PROPERTY MUST BE REPEALED

Mr. VAN ZANDT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

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

There was no objection.

Mr. VAN ZANDT. Mr. Speaker, since January 3, 1957, I have had a bill, H. R. 976, pending before the House Committee on Ways and Means which would amend the Internal Revenue Code of 1954, by repealing the taxes imposed on the transportation of persons and property.

At no time in the history of our country has the transportation industry faced the difficulties it does today and this especially applies to the Nation's railroads.

For better than a year the report of the President's Committee on Transport Policy and Organization has been pending before committees of this Congress. Hearings have been and are being held and meanwhile all forms of transporta-

tion are operating under severe handicaps because of the need of a new and realistic transportation policy.

Who will deny that the railroads and other forms of transportation are on the verge of bankruptcy, and while the situation is daily becoming more acute nothing has been done by this Congress. In other words, while we fiddle around the transportation industry is in the throes of despair.

Mr. Speaker, I should like to call attention to the following factual information on excise taxes on the transportation of persons and property and how long they have been in effect:

When did these taxes originate?
1932, crude oil and products pipelines: 4 percent.

1940, crude oil and products pipelines: Added one-half percent.

1941, passengers (for-hire): 5 percent.

1942, passengers (for-hire): Raised to 10 percent.

1944, passengers (for-hire): Raised to 15 percent.

1954, passengers (for-hire): Lowered to 10 percent.

1942, freight: 3 percent except coal (see below).

What was their purpose? Emergency and defense revenue; and in the case of passenger tax, to discourage civilian travel when public transportation was overburdened with movements of people and supplies for war.

What is the present tax rate? Three percent on freight moved by for-hire carriers by air, rail, motor vehicle, water, and freight forwarder, except for coal, which is at the rate of 4 cents per short ton; 4½ percent on movements by pipeline; 10 percent on passengers carried by for-hire transportation agencies: air, rail, highway, and water.

Who pays the tax? The users in the case of the 3 percent and 10 percent taxes; the carriers in the case of the 4½ percent pipeline tax.

Who collects the tax? Pipelines pay taxes direct to the Government. The other carriers collect the taxes from the users and then turn them over to the Government.

What happened to the transportation tax in World War I? Emergency transportation tax of persons and property was first imposed in 1917 as a war emergency; repealed, effective January 1, 1922.

Has Canada a transportation tax? Canada repealed its 15 percent passenger transportation tax in March 1949.

How much has been collected from these taxes?

Transportation excise taxes

[In thousands of dollars]

Fiscal year ending June	Crude oil and products pipelines	Passenger	Property	Total
1933-41	95,827	21,379		95,827
1942	13,475	87,132	82,556	34,854
1943	13,672	153,683	215,488	183,360
1944	15,851	234,182	221,088	385,022
1945	16,286	226,750	275,701	471,556
1946	16,888	246,323	317,203	536,692
1947	18,773	251,389	337,030	582,299
1948	19,325	228,788	321,193	607,744
1949	24,946	237,617	381,342	668,850
1950	26,881	287,408	419,604	735,390
1951	28,378	246,180	396,519	672,805
1952	30,106			
1953				
1954				
To 1956	423,000	3,155,000	4,420,000	8,003,000
Total since World War II (approximate)	268,000	2,618,900	3,905,000	6,833,000

Source: Treasury Department.

WHAT ARE THE EFFECTS OF THESE TAXES ON PASSENGERS AND PROPERTY?

They add to the cost of living.

1. In the transition of raw material to a finished product, it has been estimated that in the case of certain essential commodities transportation is used 11 times. A 3 percent tax thus can pyramid into tax upon tax and these amounts will usually be included in the retail prices which the consumer must pay.

2. Since more than one-third of passenger transportation, very conservatively estimated, is for necessary business travel, the taxes on this transportation will obviously be included in the operating expenses of the companies incurring them and passed on, at least partially, in the pricing of products.

3. The task of collecting the passenger and freight transportation taxes is borne by the carriers. Whatever the amount (and it is at least several millions of dollars each year), it must be included in operating expenses of the carriers and thus affects the level of rates and fares. In the case of pipelines, the entire amount of the tax must be borne as an operating expense.

4. In the case of rail passenger transportation, inadequate passenger revenues, caused in part by the discouraging effects of the tax on travel, must be recovered from freight transportation, by increases in rates. In connection with Ex Parte 175 the ICC has stated: "The drain which the passenger-train service makes on freight revenues was an important factor in our decision to permit increases in Ex Parte 175."

The taxes result in discrimination.

1. They increase the charge to the user for services by for-hire carrier; hence they discriminate in favor of private transportation (such as by private automobile, private truck, and barge) on which there is no comparable tax.

Thus, those who are dependent upon for-hire transportation suffer from the tax as they do not have the alternative of private transportation which their competitors may enjoy. Too, travelers and shippers who pay the tax are apt to be small businesses and families in the lower income groups. Four out of 10 families in the United States do not own an automobile—2 out of 3 families earning less than \$3,000 do not own an automobile.

The operators of for-hire transportation are also discriminated against because they lose business to nontaxed competition in a highly competitive field.

Adequate for-hire and private transportation are both obviously necessary to our marketing and distribution systems.

2. The tax applies percentage-wise to the fare or rate, hence a long haul, either of freight or passenger, pays a heavier tax than a short haul.

As a result, the competitive disadvantages of places that are at a distance from their markets are increased. This increase in the spread either places an additional burden of expense on the long-haul shipper—or he may decide he can no longer compete in the original market, in which case he may even have to close or relocate his business.

Mr. Speaker, my bill, H. R. 976, is only one of several similar measures pending before the House Committee on Ways and Means. It is imperative that we get action on this legislation because the economic strength of the Nation is affected and our national defense in jeopardy while unemployment, with its related miseries, is stalking the land.

If the 85th Congress continues to ignore and neglect the plight of the Nation's transportation industry, we will stand convicted before the American people as unworthy of the trust reposed in us as guardians of this Nation.

ADJOURNMENT UNTIL MONDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

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

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday of next week be dispensed with.

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

There was no objection.

SPECIAL ORDER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the special order that the gentleman from Pennsylvania [Mr. FLOOD] has for today be vacated and that he may have permission to address the House for 60 minutes on Wednesday next, March 26.

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

There was no objection.

THE LATE HON. SAMUEL B. HILL

Mr. McCORMACK. Mr. Speaker, with the permission of the gentleman from Texas, I ask unanimous consent to address the House for 5 minutes.

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

There was no objection.

Mr. McCORMACK. Mr. Speaker, I rise to pay tribute to Judge Samuel B. Hill who passed away on Sunday, March 16, 1958. As senior Members of this great body will recall, Samuel B. Hill served with distinction in this House from 1923 until he retired from the Congress in June of 1936. At his retirement he was the ranking member of the Committee on Ways and Means.

Sam Hill was born in Arkansas in 1875. He moved to the State of Washington where he practiced law and served as judge of the superior court before coming to Washington to serve the Fifth District of Washington.

The services performed by him as a member of the Committee on Ways and Means and as the chairman of the Hill Subcommittee on Internal Revenue Taxation is of lasting benefit to the citizens of this country. The Hill subcommittee, as it came to be known, was established pursuant to House Resolution 16, adopted on June 9, 1933, for the purpose of investigating methods of preventing the evasion and avoidance of the tax laws of the United States and to consider means of improving and simplifying such laws. The accomplishments of the subcommittee under Sam B. Hill's leadership provided us with some of the soundest principles on which our present Federal tax structure is based.

I had the honor to serve with Sam Hill as a member of the Committee on Ways and Means. His great experience, knowledge, and understanding was of benefit to us all. His informed opinion and highly developed technical skill in tax matters helped to guide us in formulating legislation of the early 1930's.

In addition to his great skill as a lawyer, jurist, and tax expert, we knew him for a man of great and splendid character, a man who embodied in his every act those principles of Christianity which we all need to guide and direct our acts. He was unselfish, devoted, and a splendid representative of the people of the State of Washington and of the United States as a whole.

He resigned from the Congress, as I have said, in 1936. He left us to serve as a judge in what is now the United States Tax Court. In that capacity he leavened the proceedings of that body for 17 years with his great knowledge of taxation before retiring in 1953.

The death of Sam Hill leaves a void. Men of his strength and great character are not easily replaced. It pleases me to know that he leaves a monument that will endure for all times in his great work. It was he who was primarily responsible for the construction of the Grand Coulee Dam. It stands today and will always stand as a monument to his foresight and to his service to the American people.

To his loved ones I extend my deep sympathy in their bereavement.

STOP THE FLOW OF ARMS TO BATISTA

The SPEAKER. Under previous order of the House, the gentleman from New York [Mr. POWELL] is recognized for 30 minutes.

Mr. POWELL. Mr. Speaker, the United States is a partner with the dictator of Cuba, Fulgencio Batista, in the killing of close to 4,000 Cubans so far, and it is time that we should get out and get out at once. We not only have been and are supplying arms to Batista, but we have a military mission established in Cuba actively assisting the Cuban Army. There should be immediate stoppage of the flow of arms and ammunition from this country and there should be an immediate withdrawal of the mission.

The following is a list of the arms that have been sent to Cuba with the contract number during the past 2 years:

Contract da Cuba 551: Tools for the repair of Browning machineguns. Regular shipments being made.

Contract da Cuba 553: 3,000 M-1 caliber 30 rifles and spare parts; 1,500 75-millimeter grenades; 1,000 3.5 millimeter rockets; 1,000 60-millimeter mortar grenades; 5,000 81-millimeter mortar grenades; 1 complete battery of light mountain howitzer artillery, shipment completed except for some accessories and spare parts.

Contract da Cuba 554: 1 fire direction set (artillery set No. 5).

Contract da Cuba 555: Tools for the repair and maintenance of caliber .30 rifle M1903A3. Partial shipments being made.

Contract da Cuba 559: 7 M4A3 tanks equipped with 76-millimeter gun. Shipment completed.

Contract da Cuba 560: 6 AN-PRC-10 radio sets; 1 SB-18/GT emergency switchboard; 2 SB-22/PT switchboard; 3 WD-1/TT wire; 10 EE-8 telephone; shipment completed.

Contract da Cuba 561: 38 AN/VRC-10, delivered; 138 installations units for above, delivered; 1 AN/URM-48 signal generator, delivered; 38 TS-LCC handset, in process; 1 ID-292/PRC-6 alignment indicator, in process; batteries, wire and crystals for above, partial shipments made.

Contract da Cuba 571: 20 .50-caliber Browning machineguns; 20 .30-caliber Browning machineguns; 100,000 cartridge, armor piercing, for .50-caliber machineguns. Spare parts for above. Shipment completed except for spare parts, in which partial shipment is being made.

Contract da Cuba 565: 4 Brush B-168038. Delivery scheduled for April 1958.

Contract da Cuba 569: 1,500 M-1 carbines; 150 spare parts; 7,500 hand grenades MK-2. Delivery completed except for spare parts, on which first partial shipment was made on October 18.

Contract da Cuba 570: 16 B M70D telescopes. Shipment scheduled for April 1958.

Contract da Cuba 571: 20 .50-caliber linking and delinking machines.

Contract da Cuba 572: Tools for the repair of M4A3 tanks. Shipments in process.

Contract da Cuba 578: Periscopes for M4A3 and M3A1 tanks. Shipment scheduled for April 1958.

Contract da Cuba 579: 20 M20 armored cars. Being rebuilt to be delivered.

Contract da Cuba 580: Communication equipment valued at \$89,998.66. Delivery scheduled for August 1958.

Contract da Cuba 587: 1950 Garand rifles caliber .30. Delivered in March 1958.

Contract da Cuba 591: Spare parts for 75 mm. battery. In process.

Contract da Cuba 592: Tools for the maintenance of M4A3 tanks. In process.

Contract ope 64 (USAF): Bombs for the Cuban Air Forces, valued at \$328,931.48. Shipped in October 1957.

Contract da Cuba 64 (USN): 300 5-inch rockets; already delivered.

Contract da Cuba 66 (USN): 25,000 20-mm. caps. Shipment in process.

Contract da Cuba 6400 (USN): 50 magazines for 20-mm. guns. Shipment in process.

Besides these are the following requests on which no contract number had been assigned, as of the date of information received: Fifty Browning automatic rifles M-1918A2; 3,000 75-millimeter grenades; 24 60-millimeter mortars; 20 .50-caliber machine guns; 1,000 60-millimeter grenades; 10,000 hand grenades; 10 radio transmitter-receivers AN/G-R9 for jeep installation; 10 3.5-inch rocket launchers, M20B1; 1,000,000 .30-caliber caps for above; 6,000 United States caliber .30 M-1 rifles; 2,000 United States caliber .30 M-1 carbines.

MEMORANDUM TO CONGRESSMAN ADAM C. POWELL, JR., FROM DR. MARIO LLERENA, CHAIRMAN, CONCERNING THE CUBAN CRISIS AND UNITED STATES HELP TO DICTATOR BATISTA

Fulgencio Batista first came to power in 1933 during the revolution that overthrew dictator Machado. He was a sergeant in the army and as such he staged his first military coup d'etat (September 4, 1933).

After 4 months of civilian provisional government, he overthrew President Grau San Martin and became Cuba strong man. In this he was openly encouraged by American Ambassador Jefferson Caffery.

For 11 years Batista ruled the country uncontested. He stepped out of power in 1944 after a constitutional election, and became a political exile immediately afterward.

In 1952 Batista went back to Cuba and presented himself again as candidate for President. The election was to be held on June 1, 1952.

When it was all too obvious that he didn't have the slightest chance, he talked his old military pals into staging another coup d'etat, his second. That was March 10, 1952, just 80 days before the scheduled election.

Since that date Batista rules Cuba as probably the most corrupt and bloodiest tyrant in all Latin American history.

It is convenient to have in mind that in 1954 Batista had himself elected in a phony election in which he was only candidate. It was a matter of having some democratic front mainly for the purpose of impressing American public opinion. It was a ridiculous farce, all prefabricated in Batista's military quarters. The people, of course, did not participate.

Since Batista took power in 1952 all civil liberties and individual rights perished in Cuba.

The number of people assassinated by Batista's armed forces and secret police run well above 4,000.

All the Cuban people are against Batista—civic leaders, professionals, cultural and religious institutions, etc.

The United States Government has been favorable to Batista all along. Former Ambassador Arthur Gardner acted short of being Batista's best publicity agent.

But it is selling arms to Batista as well as providing him with tanks, planes, and other military equipment under the pretext of the Rio Treaty (for hemispheric defense) which has contributed most to keep him in power against the will of the Cuban people.

Last September 1957, during an uprising that took place in the navy garrison, the civilian population of Cienfuegos (50,000) were bombed and machinegunned with American jet planes flown by airmen trained by American instructors.

Small villages of the Oriente province have suffered that same treatment in reprisal for helping Castro's revolutionary army with food and information. Hundreds of innocent men, women, and children have been killed that way.

On top of all this, an American military mission is kept in Cuba, also under the clauses of some "mutual defense treaty." Such a mission is supposed to be there in order to "instruct" Cuban armed forces for the event of some continental aggression. But as everybody in Cuba says, if they (Batista's armed forces) haven't been able to wipe out Castro's guerrillas in Oriente, what could they do in the presence of some mighty invader?

The American military mission in Cuba, however, serves one purpose: give moral support to Batista and his gang and identify itself with the dictator.

DR. MARIO LLERENA,
Registered Agent for Dr. Fidel Castro
and the 26th July Movement.

NEW YORK, N. Y., March 18, 1958.

No one in Cuba today supports Batista. On March 17 in Habana, Cuba, a manifesto was given to President Batista from the representatives of 42 religious, fraternal, professional, civic, and cultural organizations. It said: "The bitter passions inundating the country will plunge it into anarchy unless Batista steps down."

Finally, I would like to conclude with this letter which has just been smuggled out of Cuba through the underground to my friend, the Provisional President of the Fidel Castro movement, who is now in voluntary exile in New York:

"In April 1957 I resigned my commission in the Cuban Navy as 'a one-man protest' against the wholesale murders committed

by fellow officers of the navy (namely, Lt. Laurent, Lt. Olayon, and Ensign Perez Mejides) on the farming communities of the Sierra Maestra. This is no hearsay or exaggeration. I am an eyewitness to several of them, as during the months of January, February, and March of 1957, my ship, the frigate *Jose Marti F-301*, was conducting a patrol from Santiago de Cuba to Cabo Cruz, we used to go into Pilon Harbor (headquarters of the navy infantry contingent that was operating against Fidel Castro) and where the above-mentioned officers conducted their unspeakable crimes against defenseless cane-cutters and small merchants. These two cases will give you an idea of the situation that is still going on in an even greater scale in Oriente Province and in Habana.

On the morning of February 2, 1957 while in Pilon, I went ashore to relax a little along the outskirts of the village, and I found a half burnt bohio and the inside was plainly visible. There were four bodies inside, three adults (two females and a male) mutilated beyond recognition and in a crude crib a child about 3 or 4 years old with a bayonet pinning it down through the stomach. These murders had been performed the night before by Lt. Laurent upon learning that the guajiro had expressed himself in favor of Castro in one of the local bars. Later that day Laurent was aboard the ship and confessed in order to impress all of us that he had personally ordered and participated in the murders. About two weeks later—February 16, 1957—we were again in Pilon. That night a group of officers from the ship (I was in the group) went ashore for a walk. Nearing the cane fields we saw a fire a short distance away. We ran towards the fire to try to help. What we saw still makes me sick literally. Tied to three palm trees, were six individuals, two men and four women, all naked, their bodies soaked in gasoline and a fire built at their feet. Twenty armed sailors with Lt. Olayon were conducting the affair. The first thing they did was to point their guns at us (we were unarmed) and ordered us not to interfere and to go back to the ship. When we reached the pier, it was heavily patrolled by Laurent's men who had orders to shoot anyone coming ashore, we were permitted to go aboard, but that was all. Next morning we saw the burnt bodies still tied with wires to the palm trees. Later we learned that the men were small merchants in town, his nephew, his wife, and three daughters, accused of having sold food to Castro (more than 100 miles away). The women had been brutally violated before. Upon arrival in Habana, I presented my resignation, stating plainly my motives, and in a personal interview with the Chief of the Navy (Admiral Rodriguez Calderon) I restated that I was unwilling to continue to wear the same uniform as murderers like Olayon, Laurent, etc. Needless to say, my resignation was accepted immediately. Since then things have gone from bad to worse. All political suspect, whether innocent or not, are tortured beyond imagination, some killed afterward, and most kept in this so-called preventive prison against all law and order. Our lives are constantly in danger, but don't worry, we will manage somehow."

Maybe the New York Times will be interested in all this.

I will write you soon.

Your loving brother.

The writer, a former American citizen, is today a prisoner in Cuba. His name Antonio Santacruz.

References as to the authenticity of the letter can be obtained from Enrique Santacruz, 310 East 74th Street, New York, N. Y., telephone RH-4-3137.

WE MUST DECLARE WAR ON CYSTIC FIBROSIS

The SPEAKER. Under previous order of the House, the gentlewoman from Minnesota [Mrs. Knutson] is recognized for 10 minutes.

Mrs. KNUTSON. Mr. Speaker, there is a killer afoot which seldom gets its name in the paper, but which kills just as efficiently and viciously as its better known competitors. As David Selman has put it, there is a social order in disease which sets apart its celebrities, like polio and cancer, from its mediocrities.

The unknown killer's name is cystic fibrosis, or CF, known also as mucoviscidosis and the disease of the salty tears—because of the high salt content of tears and perspiration in the victims. It is the sadistic attacker of children—of thousands of children. It is a ruthless public enemy.

Writing in *Parade* magazine not too long ago in an article entitled "Unmasked: A Worse Killer of Children Than Polio—CF," Robert P. Goldman and Sid Ross said:

But even today most doctors fail to recognize it, partly because CF masks itself as bronchitis, pneumonia, asthma, even stomach trouble. As a result, thousands of cases are undiagnosed, many others are diagnosed incorrectly. * * *

Typically, CF strikes the child via his pancreas. Thick mucus prevents the necessary chemicals from reaching the digestive tract. Then the CF child eats voraciously, but cannot digest his food properly. He fails to gain weight, has frequent and abnormal bowel movements. But CF does not stop there. Other mucus clogs the lungs and breathing passages. This in turn leads to permanent damage of the lung—and death.

Exactly why this happens doctors do not know. * * * But once it strikes most CF children present a pathetic picture of agony, hacking and wheezing until they lapse into coma.

ONE OUT OF SIX HUNDRED CHILDREN

A famous doctor once wrote that when the rarest disease strikes home to your family or mine, it might as well be as common as the everyday cold. But even though cystic fibrosis has received little publicity and even though there is no known cure for it today, cystic fibrosis is not at all rare.

CF is a disease that strikes children more frequently than nephrosis or leukemia. And the child mortality rate among its victims is much higher than for polio, which, before the Salk vaccine, averaged an annual death toll of, roughly, 1,000 to 3,500.

One out of six hundred children in the United States are born with CF—about 7,000 new cases each year. Probably, because of poor diagnosis, the incidence of CF victims is even higher than that. And because CF is a hereditary, congenital disease, as the years go on, each year more and more children and a higher percentage of children will be born without a chance—born to die just as they are learning what life is all about. As CF-gene carriers multiply, in a geometric progression, the rate of CF victims may very well increase to 1 out of 250 children in just a few years.

Right now, about half of the 7,000 boys and girls born each year with CF

will die before they are 5 years old. The rest, for the most part, will die before they are through their teens. Only a handful of cystic fibrotics have been known to live past age 20.

In an article in this week's Parade magazine, it is reported that the average American, at age 20, can expect to live to age 73. But at age 20, the cystic fibrotic girl or boy has a life expectancy of zero. By the time the CF child is age 10, it has already entered old age.

In some families CF has taken as many as 4 out of 5 children. The CF children who have lived past the age of five have made it for a few more years only with the help of expensive medication and 24-hour-day attention.

A MATTER OF BOYS AND GIRLS, NOT STATISTICS

I have given you some of the more striking statistics. But CF is not a matter of statistics. It is a matter involving little boys and girls—human beings.

I have a constituent in my District, a little boy, only 5 years old, a victim of CF.

In behalf of him and all other CF victims throughout the 48 States, I am addressing you today.

Mr. Speaker, when I heard about this cystic fibrosis victim, I immediately called the Legislative Reference Service of the Library of Congress to get some facts and figures. I called the National Institute of Health and the Washington chapter of the National Cystic Fibrosis Research Foundation. I talked not to lobbyists but to parents whose whole lives had been altered by the grisly, child-withering specter, cystic fibrosis. Because I know that probably few Members of Congress have ever heard of this disease, and because I am quite concerned about the serious financial difficulty the disease imposes on parents, I feel that I should share what I learned about cystic fibrosis with you.

One constituent wrote me:

Our school band director has an only child who is a victim. His drugs amount to \$100 a month. Can you imagine that, from a teacher's salary? * * *

[The little boy] is 5 years old. The Mayo Clinic has recently given the [parents] hopes that he might live to be 15. They have lost two other babies since [their little boy's] birth, victims of cystic fibrosis, too.

[He] sleeps in a kind of oxygen tent at night and 4 times a day he is put under the tent for relief and rest for 20-minute periods.

The parents never leave [their boy] unless one relieves the other. [The father] plays in little dance band whenever he can to supplement his income. And, he still has to attend summer school sessions for his further education so that he might get into top-paying jobs.

The story told by this letter is multiplied all over the Nation. Bills for drugs alone may run from \$70 to \$100 a month; special diet and other treatment may actually double the cost.

Something is being done on various fronts to find the causes and cure of cystic fibrosis. Hardworking teams of researchers—headed by Dr. Schwachman, Cooke, Anderson, Denton, Hsia, Patterson, di Sant' Agnese, Dische, May, Gibbs, and others—are doing important research at hospital laboratories throughout the country. I have already men-

tioned the National Cystic Fibrosis Research Foundation and the National Institute of Health at Bethesda. Then, too, outstanding medical research is being undertaken at Zurich, London, and Melbourne.

IT HAPPENED TO DEE DEE

A Maryland couple, Jim and Dottie Weber, recently lost their little 9 year old daughter, Dee Dee, to cystic fibrosis. Mr. Weber, angry with the grief of his loss, got busy in the Cystic Fibrosis Foundation chapter in the Greater Washington, D. C., area and single-handedly secured the establishment of the first endowed clinic for cystic fibrosis children in the United States, the William Green Memorial Clinic at Children's Hospital.

Mr. Weber told me last week:

No one can know whose children or grandchildren may be born under the death sentence of cystic fibrosis. You always think it will happen to other people. You never think it will happen to you. But it happened to us. It happened to Dee Dee.

I was deeply moved. I know that no one can fully feel the pain of having lost a child to cystic fibrosis unless he himself has been through it, but I share with the Webers the deep regret that medical discoveries yet to be made could not have been made a few years sooner so that their little Dee Dee might have lived.

Since 1946 the average age of death, with diagnosis and treatment, has been raised from 2 years to 5 years. Our present generation of research doctors are making medical history—witness the new vaccines, the antibiotics, the organ transplants.

WHERE THERE IS HELP, THERE'S HOPE

As Time magazine said last August:

Unrecognized as a separate disease until 1938, it is now being identified more and more often. * * * Now for the first time, doctors are helping cystic fibrosis victims to survive into their teens. As the years pass, they hope to see them reach adulthood not much more severely handicapped than the insulin-taking diabetic. Meantime, research goes on to find first causes and, eventually, a cure.

And as one doctor said in an article in the Ladies Home Journal:

Children who were among the first ever to be diagnosed are alive and well today because of new drugs and treatment. Who can say with certainty that they cannot be kept that way—or that a cure for cystic fibrosis cannot be found?

The slogan of the Cystic Fibrosis Foundation is "Where there is help, there is hope." It is no idle dream of mine that, given the proper amount of time, money, energy, and prayers, medical science will lick this vicious public enemy.

Last week, when I delivered on the floor of the House of Representatives an hour-long speech on the educational state of the Union, calling for a \$100 billion Federal-aid-to-education program. I was asked by a colleague of mine from the other side of the aisle why I only presented the unfavorable side of the American educational picture.

I was reminded of what Carl Rowan of Minnesota recently said in connection

with a series of articles he had written on the state of agriculture. Said Rowan:

The truth hurts [but] it would be a silly doctor who spent two hours telling the patient how pretty his teeth are, how strongly his heart beats, how good his reflexes are, only to add a postscript as the patient walks out of the door: "By the way, you may have cancer."

It would be absurd for a Member of Congress to tell the American people—who are still altogether much too complacent—"By the way, our educational system may have cancer" or "By the way, we are not spending enough for research to conquer such diseases as cystic fibrosis."

A poet once wrote:

These boys and girls,
Helpless because they are children,
Trust us with loud eyes,
Believe that we are doing best
By them, have no hope because
They do not think they need hope,
Because they know that we are busy
Saving them, guiding them, feeding them.
And yet we secretly wish these children
No better luck in life than we
Enjoyed. This is the tragedy, this is the
rub.
There are better things to declare war against
than people.

Where there is help, there is hope.
Let us provide that help. We must declare war—on cystic fibrosis.

A POLL ON NATIONAL ISSUES IN THE 15TH CONGRESSIONAL DISTRICT OF OHIO

The SPEAKER. Under previous order of the House, the gentleman from Ohio [Mr. HENDERSON] is recognized for 10 minutes.

Mr. HENDERSON. Mr. Speaker, again this year it is my pleasure to advise the Congress of the results of the recent public opinion poll which I have conducted in the seven counties of southeastern Ohio, which I have the honor to represent here. This is the third annual survey of opinion on national issues, which I have taken in the 15th Congressional District of Ohio, and it has been gratifying to me that the tabulation of the polls in the past have resulted in expressions of considerable interest from my colleagues on this floor and from all parts of the Nation through correspondence.

The poll's tabulated results, I believe, are a valuable gauge of the popular feeling which prevails in this part of Ohio. In the sense that the 15th District of Ohio is composed of diverse urban and rural interests, I believe, also, that this poll represents expressions common to many similar regions of the Middle West as well as of other areas of the United States. Since the tabulation reflects the opinions of almost 7,000 persons who participated in the poll, it reflects an excellent, and I think representative, sample of the broad thinking on these issues in the district.

Unfortunately, it is not possible to present in an orderly statistical manner the thousands of comments through which residents of the seven counties amplified their answers and explained why they feel as they do. These responses

are of very real interest and assistance to any public official, particularly since they have come from many hundreds of individuals who have never expressed themselves to us before in correspondence or personal conversations. I do not mean that a poll of this kind binds a Member of Congress to vote in any given way on a particular issue. He still must exercise his independent judgment and stand responsible for that judgment to the people he represents here.

I am very pleased to have received so many thoughtful and analytical comments indicating the earnest attitude with which the poll has been greeted by the people of the 15th Congressional District.

This year, the questionnaire tested 14 issues covering a broad range of subjects. In my original plan, a number of other questions were to have been included. However, the number was reduced to obtain reasonable brevity which still allowed inclusion of subjects which are likely to be paramount issues before the Congress this year, or which are related to decisions which Congress may be called upon to make.

It has also been my purpose to avoid phrasing the questions in such a manner as to influence the answers. In attempting to make the poll as objective as possible, I have made every effort to keep my own opinions from being interjected and, thus, coloring the wording of the question.

A number of persons have explained that "yes" and "no" answers are most

difficult in questionnaires of this type. I am in full agreement and I realize that many of the comments were stimulated so that there could be no misinterpretation of the reasons for individual answers.

To review the results of the poll briefly, the most unanimous response came to the question asking if any Federal policy which would reduce benefits for disabled veterans was favored. A total of 87.02 percent opposed any such legislation or executive action.

The issue of the admission of Communist China to the United Nations again, this year, drew an overwhelming response. A total of 84.69 percent of those responding opposed such admission. Even among those who favored admission, the comments in many instances indicated a belief that Red China's behavior in the community of nations was not condoned, but that such recognition might tend to make this Nation more sensitive to world opinion opposing any future acts of aggression which the Communist regime might contemplate.

Feeling favoring the enactment of legislation to provide legal safeguards for the handling of the welfare funds of labor unions was notable with 84.11 percent in support of such laws. Further reductions in tariff protection for domestic industries were also opposed by 74.39 percent of those participating in the poll. Answers to this question, in turn, were often related in many comments to the matter of continuing for-

eign aid at a level of \$4 billion for the next fiscal year. The vast majority of the 64.03 percent of those who opposed the program included comments indicating unequivocal opposition to the entire program although a number of persons stated their support for curtailed spending, and criticized the waste which they believe has characterized the program in the past.

In response to the question, "Do you favor ending agricultural controls and the accompanying termination of price supports," a total of 65.16 percent voted "Yes." In many of the accompanying comments, much disillusionment was expressed with the present and past systems of price supports and there was apparent a general desire for release from present farm controls.

The last item in which feeling was preponderant on one side of the issue involved a Federal program for the training of additional scientists and engineers. This was supported by 64.68 percent of those responding. However, it is significant that a very considerable number of persons qualified their answers by explaining their opposition to Federal aid for education below the college level and indicating their opinion that the Federal Government should leave financing of primary and high-school education to State and local control, as well as the sources of tax revenue which now support our schools.

A complete review of the results of the questionnaire is as follows:

	Percent yes	Percent no	Percent undecided
1. Do you favor a freer exchange of atomic secrets between this country and our NATO allies?.....	38.98	55.02	6.00
2. Do you favor increasing the pay of military personnel?.....	46.27	46.16	7.57
3. Do you believe Congress should act to authorize permanent residence for 30,000 Hungarian refugees temporarily admitted to the United States last year?.....	36.94	57.63	5.43
4. Would you support a constitutional amendment giving the President's Cabinet or some other group of officials authority to determine when a President is suffering sufficient physical disability to prevent him from carrying out the duties of his office?.....	58.62	37.36	4.12
5. Do you believe Communist China should be admitted to the United Nations?.....	10.73	84.69	4.58
6. Would you support increasing postal rates for 1st-, 2d- and 3d-class mail to reduce the present postal deficit?.....	59.22	33.44	7.34
7. Do you favor a program of Federal scholarships for the training of additional scientists and engineers?.....	64.68	30.69	4.63
8. Do you believe that a new law is needed to safeguard the handling of labor union welfare funds?.....	84.11	12.00	3.89
9. Do you favor ending agricultural controls and the accompanying termination of price supports?.....	65.16	27.24	7.60
10. Would you favor an all-out Federal program leading to the exploration of outer space?.....	39.32	52.68	8.00
11. Do you favor any Federal policy which would reduce pensions for disabled veterans?.....	8.22	87.02	4.76
12. Do you favor action by Congress which would reduce tariffs on products imported into the United States?.....	18.82	74.39	6.79
13. Do you favor the expenditure for foreign aid of \$4 billion in military and economic assistance and an increased program of loans to friendly foreign countries?.....	27.65	64.03	8.32
14. In the social-security program, do you favor:			
(a) Reducing the minimum age limit for benefits with a corresponding increase in individual and employer contributions?.....	49.10	36.67	14.23
(b) Increasing the amount of benefits with a corresponding increase in individual and employer contributions?.....	51.52	29.15	19.33
(c) Eliminating the restriction on outside income for persons receiving benefits with a corresponding increase in individual and employer contributions?.....	39.47	37.64	22.89
(d) Leaving the program in its present form?.....	31.41	34.48	34.11

THE PROPOSALS FOR A SMALL-BUSINESS CAPITAL BANK SYSTEM

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point.

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

There was no objection.

Mr. PATMAN. Mr. Speaker, in the collective consideration and the expenditure of tremendous effort of those who are seeking ways and means of halting the recession and reversing the economic trends, the plans for establishing facilities to provide small business with a ready access to capital needed in the modernization and expansion of busi-

ness are receiving considerable attention.

It is appropriate for those concerned with measures to halt the recession and reverse the economic trend in the country to give careful and prompt consideration to proposals, which would assist small-business concerns in their efforts to secure needed capital for investment in business, modernization, and expansion.

The Wall Street Journal of yesterday, March 19, 1958, devoted considerable space to a discussion of consideration currently devoted to plans for establishing a small-business capital bank system. In the Journal's article there is a discussion of plans under consideration for securing prompt action in the

Congress on H. R. 10345, which I introduced on January 29, 1958—see the RECORD, page 1292—and S. 3191, which was introduced by the majority leader of the Senate, the distinguished senior Senator from Texas [Mr. JOHNSON] on January 30, 1958—see the RECORD, pages 1348 to 1349.

It should be recalled that the bills referred to would establish a system of regional capital banks and local small-business investment associations, which would bring to small-business firms a source of the capital that is needed by small business. The system would make available sources of equity capital; that is, capital for the purchase of stock of small firms having attractive stocks to offer. It would also make available

sources of long-term debt capital such as the commercial banks the SBA is not able to supply.

Furthermore, in creating such a system the bill meets all of the hard conditions which the many thoughtful and devoted free-enterprisers have said must be met by any such system that Congress might help to create. One of those standards and conditions is that the system would be owned by those who take part in it—not by the Government. In that respect it would have the aspects of the land-bank system and the home-loan bank system, both of which are now fully owned by the private interests they serve.

Important in the establishment of the system would be the avoidance of appropriating money from the Treasury of the United States. The proposals for the establishment of a small-business capital bank system would involve: First, no appropriations from the Treasury of the United States; second, no increase in taxes; third, no borrowing of funds by or upon the credit of the United States Government; fourth, no increase in the debt limit of the United States Government.

The article of the Wall Street Journal to which I have made reference recognizes these attractive features of the proposals for the establishment of a small-business capital bank system. It points out that these attractive features plus the need for something to be done regarding the recession provides the spur and prodding needed for the passage of this proposed legislation. Therefore, it concludes that the chances for the enactment of these proposals are the brightest they have ever been.

Mr. Speaker, under the permission granted I ask that there be included as a part of my remarks the article which appeared in the Wall Street Journal and to which I have made reference. It is as follows:

UNCLE AS A PARTNER—RECESSION SPURS PLAN FOR NEW AGENCIES TO BUY SMALL FIRMS' STOCK—SENATOR JOHNSON GETS BEHIND SCHEME, WHICH ALSO CALLS FOR LONG-TERM LOANS—FUNDS FROM FEDERAL RESERVE

(By Allan L. Otten)

WASHINGTON.—The recession is putting steam behind a plan that calls for the Federal Reserve System to become part owner of many private firms.

The Government long has been engaged in lending money to small business. The scheme that's now being pushed, however, would provide much longer term loans and also actual ownership capital—through purchases of stock—for small businesses.

The plan, called the capital bank proposal, has an attractive sugar coating. Its mission would be accomplished indirectly—through a chain of regional banks supposedly run by private bankers and businessmen. The scheme's backers envision an eventual shift of the setup from Government to private ownership.

TWO HUNDRED AND FIFTY MILLION DOLLARS TO START

But the initial capital, perhaps \$250 million or more, would come through the Federal Reserve banks. There are some who argue that this wouldn't even involve Government participation initially since the Federal Reserve banks' stock is owned by member commercial banks.

But in many other respects the Reserve banks bear a closer resemblance to governmental bodies than to private ones. Their general policies are laid down by the Federal Reserve Board, appointed by the President and headquartered in Washington; they can't take major steps without the Board's approval; Congress can change their by-laws, and they perform many key governmental functions. Besides holding member commercial bank reserves and Federal funds on deposit, the Federal Reserve banks hold money of their own earned in their operations.

Under at least one version of the plan to set up regional capital banks using Federal Reserve funds, the new banks would be supervised from Washington by a new independent Federal agency. Loans might run as long as 40 years; the level of interest rates is still being debated.

BEYOND THE RFC

In its stock ownership feature, the capital bank proposal pioneers even beyond the old depression-born Reconstruction Finance Corporation. The RFC did buy some railroad preferred stock, but more as a bail-out measure than as a real investment.

The capital bank idea, which has kicked around Capitol Hill for a decade without getting anywhere, has long had the backing of Democratic Senator O'MAHONEY of Wyoming and SPARKMAN of Alabama, among others. Now Senate Majority Leader JOHNSON of Texas has put the bill on his list of "must" antirecession measures. He calls it "an intelligent and logical step toward making available to small business the lifeblood it needs in today's competitive world—and it will make that setup within a framework of private enterprise." Prospects for passage are rising accordingly.

"The Senate will definitely pass a capital bank bill of some sort, and the chances are better than 50-50 for House action," says one Senate Democratic leader. Of course, he adds, "we wouldn't be any further this year than before if it weren't for the recession."

MIGHT MAKE IT

Says a key House Democrat: "With the help of the recession, we might just make it this year."

The improved prospects of the new lending-investing program is still another indication of how completely sentiment has changed in Washington during the past year. Last spring, everyone was hailing the final dissolution of the RFC. Just as last year's demands for economy have been replaced by new demands for spending, so have last year's cheers for the demise of RFC been replaced by demands for more lending.

In fact, one Republican who's ordinarily a staunch economy advocate, New Hampshire's Senator BRIDGES, now is proposing a standby revival of the RFC.

Whether or not the RFC revival makes its way through Congress—and the chances seem doubtful—the lawmakers will push a number of other measures designed to inject increased doses of credit into the national economy. Congress certainly will pass a bill extending the life and expanding the activities of the Small Business Administration, whose aid to little enterprise consists largely of lending. And key Democrats in both Houses are pushing various bills for big public-works loans to local government.

HEARINGS START NEXT MONTH

Congressional consideration of the capital bank proposal will get under way late next month when a Senate banking subcommittee headed by Pennsylvania's Democratic Senator CLARK starts hearings on the subject. Both Senator CLARK and Chairman FULBRIGHT (Democrat, of Arkansas) of the full Banking Committee have been prodded several times by Senator JOHNSON.

But the banking subcommittee has had reason to wait. The Federal Reserve Board, at Congress' request, has for the past year been making a major study of the financing facilities now available to small business and the needs of small business. A huge chunk of this report will be sent to Capitol Hill in the next couple of weeks. Federal Reserve officials say it will contain no recommendations, but merely will state the facts found and "let the chips fall where they may."

Senator FULBRIGHT and Senator CLARK want to have this study under their belts before starting hearings. In the first place, they hope the report, however objective, will tend to show a need for capital bank legislation. More importantly, Administration and Federal Reserve officials have refused to take any detailed stand on capital-bank legislation pending the results of the Board's study. So far the Administration appears basically opposed to the idea, but Federal Reserve Board Chairman Martin seems willing to give some form of capital bank a guarded blessing.

Why embark on a new venture to aid little enterprise when the Small Business Administration already is deep in a lending operation? Backers of the capital bank scheme have several answers. For one thing, they note, the SBA is barred by law from making business loans for more than 10 years, and can't buy stock at all in small firms.

Why not give the SBA broader powers? Backers of the capital bank claim the whole purpose of their plan is to keep direct Government activity in the ownership capital field to a minimum, even though it eventually would involve "Uncle Sam" to a large extent.

One supporter of the bill adds that he doesn't believe the SBA or any other regular Government agency should make the investment decisions that the regional banks would make. Says he: "I don't think the Government should be able to say John Jones should or should not be in the aluminum business. This plan gets the Government out of that activity as quickly as possible."

Some backers of the capital-bank scheme privately admit another reason for reluctance to give the SBA more power: A widespread Congressional distrust of the agency, based on a belief that it is dominated by the Treasury Department, and takes too strict a look at small firms seeking help. "Giving new lending power to the SBA wouldn't help small business too much," a Senate Democrat asserts.

The capital-bank idea goes back to the early post-World War II period. The scheme was discussed then in published studies and Congressional hearings. At that time, one business group, the Committee for Economic Development, proposed such a plan, though its present position is not fully clear. The idea was first introduced in specific legislation by Senator O'MAHONEY in 1950. When he was temporarily retired from the Senate in an election reversal, Senator SPARKMAN took over sponsorship.

Today's version of the Sparkman-O'Mahoney bill would work like this:

The 12 regional Federal Reserve banks would be authorized to form special national investment companies—up to one company for each State, Territory, or possession, or a total of 50-odd. The Federal Reserve banks would invest up to \$5 million or an amount equivalent to 4 percent of the combined capital and surplus of their member banks—whichever is greater—in each company. The investment companies would be formed by the Reserve banks themselves or by groups of five or more private persons or institutions—banks, corporations, partnerships, or individuals—with the Federal Reserve holding the investment companies' stock at least initially. The States' industrial development

corporations could be converted to national investment companies.

The investment companies could then use their capital to make loans or buy stock in eligible enterprises as defined by the Federal Reserve Board. The bill does not provide for automatic retirement of the Government's investment in these companies, but sponsors say they envisage that as the companies become profitable, private capital would take over their stock and retire the Government's interest.

A new version now is being pushed by House Small Business Committee Chairman PATMAN of Texas and has been introduced in the Senate by Majority Leader JOHNSON. Mr. PATMAN and Senator JOHNSON say the bill has been drafted to meet objections to the Sparkman-O'Mahoney bill, but some lawmakers believe it really is the result of Mr. PATMAN's well-known distrust of the Federal Reserve Board, for the board's role in the project under his plan would be limited to providing the initial money.

Under the Patman-Johnson bill, a special Small Business Capital Bank Board would be set up as an independent Government agency. It would get \$147.5 million from the Federal Reserve System and would have power to borrow up to \$1.2 billion more in the private market. This Board would set up 12 regional capital banks, giving \$10 million to each at first and lending additional sums as it borrows from the public.

The district banks could make 40-year loans to small businesses and to State and local industrial development corporations. The banks also would provide money to start special small-business investment associations. These would be organized by groups of 25 or more local private investors, who would put up \$250,000 altogether and have this matched by the district small business capital bank, with the district banks initially holding a proportionate share of the investment association's stock. The investment associations would borrow additional sums from the capital banks and would provide ownership capital for small-business concerns.

Investment associations borrowing from district banks would have to buy capital in the district banks equivalent to 5 percent of their borrowings. Similarly, small firms borrowing from the banks or getting ownership capital from the investment associations would have to buy capital stock in the lending or investing outfit to the tune of 5 percent. Thus the Government's participation gradually would be reduced, it is reasoned.

Backers of the capital bank idea contend it will attract private capital partly because it works essentially on the risk-spreading pattern of an investment trust: While a loan or investment for just one small business firm may not only be expensive to service but also basically risky, providing capital for many firms serves to diversify the risk, with a few big payoffs offsetting several losses.

With Majority Leader JOHNSON pushing hard, and Senate skids seemed greased for fast action, but the question is whether the House will move equally fast. The House Banking Committee, which must act on the measure, seems bogged down right now in lengthy voting over a comprehensive revision of the banking laws. Right after the Easter recess early next month, it will start lengthy hearings on aid to distressed areas.

Some Senators are talking about a device to insure House consideration. The Senate Banking Committee has before it a bill the House passed last year to make the SBA permanent and broaden its lending powers. They are thinking of tacking the capital bank bill on to the SBA measure, thus forcing the House to consider the subject in the final House-Senate conference.

"We'd be reluctant to do it that way," says one Democratic Senator, "but we might be forced to it if it looks as though we're not

going to get House action otherwise. We'll never have as good a chance to pass this bill again, and we're going to try and make sure it doesn't get lost this time."

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. HESLTON (at the request of Mr. MARTIN), for today, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mrs. KNUTSON, for 10 minutes, today, and to revise and extend her remarks.

Mr. HENDERSON, for 10 minutes, today. Mrs. ROGERS of Massachusetts, for 5 minutes, today.

Mr. FLOOD, for 1 hour, today.

Mr. VAN ZANDT, for 30 minutes, on Tuesday, March 25, 1958.

Mr. FLOOD, for 60 minutes, on Wednesday, March 26, vacating his special order for today.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. MCGREGOR and to include results of a poll.

Mr. MORANO and to include testimony before the Subcommittee on Appropriations on Labor and Health, Education, and Welfare.

Mr. LAIRD and to include in his remarks made in Committee of the Whole today on the agricultural bill some editorials and letters.

Mr. REED and to include extraneous matter.

Mr. ENGLE and to include extraneous matter.

Mr. CRAMER.

Mr. FULTON.

Mr. SMITH of California (at the request of Mr. MARTIN).

Mr. COOLEY, the remarks he made in Committee of the Whole today and to include certain charts.

Mr. RADWAN (at the request of Mr. PILLION).

Mr. SCHWENGL and to include extraneous matter.

Mr. LONG (at the request of Mr. McCORMACK) and to include a minority report.

(At the request of Mr. McCORMACK, and to include extraneous matter in each case.)

Mr. WILLIS.

Mr. FLOOD.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill and a joint resolution of the House of the following titles,

which were thereupon signed by the Speaker:

H. R. 7226. An act to clarify the application of navigation rules for the Great Lakes and their connecting and tributary waters, and for other purposes; and

H. J. Res. 483. Joint resolution to amend the act of August 20, 1954, establishing a commission for the celebration of the 200th anniversary of the birth of Alexander Hamilton.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 235. An act to increase from \$50 to \$75 per month the amount of benefits payable to widows of certain former employees of the Lighthouse Service;

S. 2120. An act to authorize the Secretary of the Interior to construct, rehabilitate, operate, and maintain the lower Rio Grande rehabilitation project, Texas, Mercedes division; and

S. 3418. An act to stimulate residential construction.

ADJOURNMENT

Mr. METCALF. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 4 minutes p. m.), under its previous order, the House adjourned until Monday, March 24, 1958, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

1739. Under clause 2 of rule XXIV, a letter from the Comptroller General of the United States, transmitting a report on examination of time and materials subcontracting by Chrysler Corp., Detroit, Mich., under Department of the Army contracts, pursuant to the Budget and Accounting Act, 1921 (31 U. S. C. 53), the Accounting and Auditing Act of 1950 (31 U. S. C. 65), and the authority of the Comptroller General to examine contractors' records, as set forth in title 10, United States Code, section 2313 (b), was taken from the Speaker's table and referred to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. KILDAY: Committee on Armed Services. H. R. 11470. A bill to adjust the method of computing basic pay for officers and enlisted members of the uniformed services, to provide proficiency pay for enlisted members thereof, and for other purposes; without amendment (Rept. No. 1538). Referred to the Committee of the Whole House on the State of the Union.

Mr. PORTER: Committee on Post Office and Civil Service. H. R. 7710. A bill to provide for the lump-sum payment of all accumulated and current accrued annual leave of deceased employees; with amendment (Rept. No. 1539). Referred to the Committee of the Whole House on the State of the Union.

Mr. THORNBERRY: Committee on Rules. House Resolution 507. Resolution for consideration of H. R. 11470, a bill to adjust the method of computing basic pay for officers and enlisted members of the uniformed services, to provide proficiency pay for enlisted members thereof, and for other purposes; without amendment (Rept. No. 1541). Referred to the House Calendar.

Mr. HALEY: Committee on Interior and Insular Affairs. H. R. 8524. A bill to authorize the preparation of a roll of persons of Indian blood whose ancestors were members of the Otoe and Missouri Tribe of Indians and to provide for per capita distribution of funds arising from a judgment in favor of such Indians; without amendment (Rept. No. 1542). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. CHELF: Committee on the Judiciary. House Joint Resolution 577. Joint resolution to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens; with amendment (Rept. No. 1540). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. COAD:

H. R. 11526. A bill to amend the Internal Revenue Code of 1954 to provide an additional personal exemption for the taxpayer if he or his spouse is permanently and totally disabled; to the Committee on Ways and Means.

By Mr. HARRIS:

H. R. 11527. A bill to amend the Interstate Commerce Act by adding thereto a new part V, to provide for a temporary program of assistance to enable common carriers subject to such act to finance improvements and developments, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HOLLAND:

H. R. 11528. A bill to provide benefits to certain veterans of World War I who were in the active service on November 11, 1918, and their dependents; to the Committee on Veterans' Affairs.

H. R. 11529. A bill to amend the District of Columbia Alcoholic Beverage Control Act to provide that class C and D licenses shall not be prohibited from serving alcoholic beverages to individuals in their establishments because such individuals are standing; to the Committee on the District of Columbia.

By Mr. FRELINGHUYSEN:

H. R. 11530. A bill to authorize a 3-year program of Federal assistance to States and communities to enable them to increase public elementary and secondary school construction; to the Committee on Education and Labor.

By Mr. KILBURN:

H. R. 11531. A bill to provide that municipalities shall be notified in writing of any proposed disposal of surplus real property of the United States located within such municipalities; to the Committee on Government Operations.

By Mr. MOSS:

H. R. 11532. A bill to amend the Internal Revenue Code of 1954 and the Internal Revenue Code of 1939 to provide that no documentary stamp tax shall be imposed with respect to conveyances to which a State

or political subdivision is a party; to the Committee on Ways and Means.

By Mr. PILLION:

H. R. 11533. A bill to amend the Federal-Aid Highway Act of 1956 to permit States having toll and free roads, bridges, and tunnels designated as part of the National System of Interstate and Defense Highways to designate other routes for inclusion in the Interstate System; to the Committee on Public Works.

By Mr. PRICE:

H. R. 11534. A bill to provide for the distribution of surplus food commodities by use of a food stamp plan; to the Committee on Agriculture.

H. R. 11535. A bill to amend the Internal Revenue Code of 1954 to allow a deduction from gross income for certain amounts paid by a teacher for his further education; to the Committee on Ways and Means.

By Mr. RILEY:

H. R. 11536. A bill to amend the Tariff Act of 1930, as amended; to the Committee on Ways and Means.

By Mr. SILER:

H. R. 11537. A bill to amend Veterans' Regulation No. 10 to provide that the term "child" shall include a child of a veteran who is a member of the veteran's household and who becomes permanently incapable of self-support; to the Committee on Veterans' Affairs.

By Mr. TELLER:

H. R. 11538. A bill to amend the Federal-Aid Highway Act of 1956 to increase the mileage of the National System of Interstate and Defense Highways, and for other purposes; to the Committee on Public Works.

By Mr. THOMPSON of Louisiana:

H. R. 11539. A bill to amend the vessel measurement laws relating to water ballast spaces; to the Committee on Merchant Marine and Fisheries.

By Mr. WILLIS:

H. R. 11540. A bill to amend the vessel measurement laws relating to water ballast spaces; to the Committee on Merchant Marine and Fisheries.

By Mr. ZELENKO:

H. R. 11541. A bill to prohibit the withholding or impoundment of appropriations; to the Committee on Government Operations.

By Mr. BARING:

H. R. 11542. A bill to prohibit discrimination because of age in the hiring and employment of persons by Government contractors; to the Committee on the Judiciary.

By Mrs. DWYER:

H. R. 11543. A bill to provide for temporary additional unemployment compensation, and for other purposes; to the Committee on Ways and Means.

By Mr. ENGLE:

H. R. 11544. A bill to provide for Federal assistance in the development of irrigation in connection with non-Federal municipal and industrial water projects, and for other purposes; to the Committee on Public Works.

By Mr. GRAY:

H. R. 11545. A bill to amend the Federal-Aid Highway Act of 1956 to increase the mileage of the National System of Interstate and Defense Highways, and for other purposes; to the Committee on Public Works.

By Mr. GUBSER:

H. R. 11546. A bill to amend the Dependents' Medical Care Act to provide that members of the Armed Forces retired under chapter 67 of title 10, United States Code, after having served on active duty in World War I and World War II shall have the same privileges with respect to medical care as members so retired after having served on active duty for 8 years or more; to the Committee on Armed Services.

H. R. 11547. A bill to amend the Civil Aeronautics Act of 1938 in order to authorize free or reduced rate transportation for retired employees of air carriers, and for other

purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ZELENKO:

H. R. 11548. A bill to make it a crime to maintain in an unsafe condition any premises in or upon which any business in interstate commerce is being conducted; to the Committee on the Judiciary.

By Mr. CELLER:

H. R. 11549. A bill to provide for the preparation of a proposed revision of the Canal Zone Code, together with appropriate ancillary material; to the Committee on the Judiciary.

By Mr. CRAMER:

H. R. 11550. A bill to provide for the acquisition of sites and the construction of buildings for a training school and other facilities for the Immigration and Naturalization Service, and for other purposes; to the Committee on Public Works.

By Mr. BECKER:

H. R. 11551. A bill to amend the Federal-Aid Highway Act of 1956 to permit States having toll and free roads, bridges, and tunnels designated as part of the National System of Interstate and Defense Highways to designate other routes for inclusion in the Interstate System; to the Committee on Public Works.

By Mr. BOSCH:

H. R. 11552. A bill to amend the Federal-Aid Highway Act of 1956 to permit States having toll and free roads, bridges, and tunnels designated as part of the National System of Interstate and Defense Highways to designate other routes for inclusion in the Interstate System; to the Committee on Public Works.

By Mr. DORN of New York:

H. R. 11553. A bill to amend the Federal-Aid Highway Act of 1956 to permit States having toll and free roads, bridges, and tunnels designated as part of the National System of Interstate and Defense Highways to designate other routes for inclusion in the Interstate System; to the Committee on Public Works.

By Mr. KEATING:

H. R. 11554. A bill to amend the Federal-Aid Highway Act of 1956 to permit States having toll and free roads, bridges, and tunnels designated as part of the National System of Interstate and Defense Highways to designate other routes for inclusion in the Interstate System; to the Committee on Public Works.

By Mr. MILLER of New York:

H. R. 11555. A bill to amend the Federal-Aid Highway Act of 1956 to permit States having toll and free roads, bridges, and tunnels designated as part of the National System of Interstate and Defense Highways to designate other routes for inclusion in the Interstate System; to the Committee on Public Works.

By Mr. OSTERTAG:

H. R. 11556. A bill to amend the Federal-Aid Highway Act of 1956 to permit States having toll and free roads, bridges, and tunnels designated as part of the National System of Interstate and Defense Highways to designate other routes for inclusion in the Interstate System; to the Committee on Public Works.

By Mr. RAY:

H. R. 11557. A bill to amend the Federal-Aid Highway Act of 1956 to permit States having toll and free roads, bridges, and tunnels designated as part of the National System of Interstate and Defense Highways to designate other routes for inclusion in the Interstate System; to the Committee on Public Works.

By Mr. RIEHLMAN:

H. R. 11558. A bill to amend the Federal-Aid Highway Act of 1956 to permit States having toll and free roads, bridges, and tunnels designated as part of the National System of Interstate and Defense Highways to designate other routes for inclusion in the

Interstate System; to the Committee on Public Works.

By Mr. ROBISON of New York:

H. R. 11559. A bill to amend the Federal-Aid Highway Act of 1956 to permit States having toll and free roads, bridges, and tunnels designated as part of the National System of Interstate and Defense Highways to designate other routes for inclusion in the Interstate System; to the Committee on Public Works.

By Mrs. ST. GEORGE:

H. R. 11560. A bill to amend the Federal-Aid Highway Act of 1956 to permit States having toll and free roads, bridges, and tunnels designated as part of the National System of Interstate and Defense Highways to designate other routes for inclusion in the Interstate System; to the Committee on Public Works.

By Mr. SAYLOR:

H. R. 11561. A bill to amend the Federal-Aid Highway Act of 1956 to permit States having toll and free roads, bridges, and tunnels designated as part of the National System of Interstate and Defense Highways to designate other routes for inclusion in the Interstate System; to the Committee on Public Works.

By Mr. TABER:

H. R. 11562. A bill to amend the Federal-Aid Highway Act of 1956 to permit States having toll and free roads, bridges, and tunnels designated as part of the National System of Interstate and Defense Highways to designate other routes for inclusion in the Interstate System; to the Committee on Public Works.

By Mr. TAYLOR:

H. R. 11563. A bill to amend the Federal-Aid Highway Act of 1956 to permit States having toll and free roads, bridges, and tunnels designated as part of the National System of Interstate and Defense Highways to designate other routes for inclusion in the Interstate System; to the Committee on Public Works.

By Mr. WHARTON:

H. R. 11564. A bill to amend the Federal-Aid Highway Act of 1956 to permit States having toll and free roads, bridges, and tunnels designated as part of the National System of Interstate and Defense Highways to designate other routes for inclusion in the Interstate System; to the Committee on Public Works.

By Mr. REES of Kansas:

H. R. 11565. A bill to protect the right of the blind to self-expression through organi-

zations of the blind; to the Committee on Education and Labor.

By Mr. TOLLEFSON:

H. R. 11566. A bill to amend the Federal Airport Act in order to extend the time for making grants under the provisions of such act, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. CHRISTOPHER:

H. J. Res. 581. Joint resolution to authorize an appropriation for the pay of guerrilla and parolee personnel of the armed forces of the former Commonwealth of the Philippines for service in World War II; to the Committee on Foreign Affairs.

By Mr. HYDE:

H. J. Res. 582. Joint resolution to authorize the Commissioners of the District of Columbia to promulgate special regulations for the period of the Middle Atlantic Shrine Association meeting of A. A. O. N. M. S. in September 1958, to authorize the granting of certain permits to Almas Temple Shrine Activities, Inc., on the occasions of such meeting, and for other purposes; to the Committee on the District of Columbia.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the Commonwealth of Massachusetts, memorializing the President and the Congress of the United States, to establish a National Scientific Academy in Massachusetts; to the Committee on Education and Labor.

Also, memorial of the Legislature of the Commonwealth of Massachusetts, memorializing the President and the Congress of the United States, to enact and enforce legislation to implement the decisions of the Supreme Court of the United States outlawing segregation in the public school system; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of South Carolina, memorializing the President and the Congress of the United States, to take the necessary action to carry out its prior appropriations and cause the Bureau of the Budget of the United States to release funds appropriated for the renovation and construction of National Guard armories; to the Committee on Armed Services.

Also, memorial of the Legislature of the State of South Carolina, memorializing the President and the Congress of the United States, to prevent the elimination of the 51st

Infantry Division of the National Guard; to the Committee on Armed Services.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. BENTLEY:

H. R. 11567. A bill for the relief of Rosaria Furlo; to the Committee on the Judiciary.

By Mr. DENTON:

H. R. 11568. A bill for the relief of Dr. Iluminada C. Hernandez; to the Committee on the Judiciary.

By Mr. DEROUNIAN:

H. R. 11569. A bill for the relief of Edward Minsky; to the Committee on the Judiciary.

By Mr. FORD:

H. R. 11570. A bill for the relief of Mah Ney Fong; to the Committee on the Judiciary.

By Mr. PATTERSON:

H. R. 11571. A bill for the relief of Elias Anthony Lousedes; to the Committee on the Judiciary.

By Mr. SCOTT of Pennsylvania:

H. R. 11572. A bill for the relief of Burns Lafferty; to the Committee on the Judiciary.

By Mr. VAN ZANDT:

H. R. 11573. A bill for the relief of Albert and Marie Stummer; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

482. By Mrs. ST. GEORGE: Resolution of the Board of Supervisors of the County of Orange, N. Y., and the Town of Highlands, N. Y., relative to the water supply of Fort Montgomery, N. Y.; to the Committee on Armed Services.

483. By Mr. WESTLAND: Petition of Mrs. Rudolph Flotre and 65 other residents of the State of Washington urging the Congress to pass legislation prohibiting alcoholic beverages advertising on television and radio broadcasts; to the Committee on Interstate and Foreign Commerce.

484. By the SPEAKER: Petition of Kauai Retail Board of Trade, county of Kauai, T. H., relative to enactment of legislation for the introduction of bauxite mining in the Territory of Hawaii; to the Committee on Interior and Insular Affairs.

EXTENSIONS OF REMARKS

The Influence of the American Educational System

EXTENSION OF REMARKS OF

HON. J. W. FULBRIGHT

OF ARKANSAS

IN THE SENATE OF THE UNITED STATES

Thursday, March 20, 1958

Mr. FULBRIGHT. Mr. President, there has come to my attention a very interesting newsletter by Congressman GEORGE MCGOVERN, of South Dakota, on the subject of education. I believe Congressman MCGOVERN has summed up some of the pertinent facts about our educational system and its influence upon our country in an interesting and effective manner. As a former teacher

at Dakota Wesleyan, Congressman MCGOVERN is well qualified to comment upon these matters, and I commend his statement to the attention of my colleagues in the Senate.

I ask unanimous consent that the newsletter be printed in the RECORD.

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

THE GEORGE MCGOVERN NEWSLETTER

Dear friends, since the earliest days on the American frontier, education has been dear to the hearts of the American people. Within 6 years of the landing of the Puritans at Massachusetts Bay, Harvard University opened its doors. As the line of settlement moved westward, the settlers were quick to establish schools and colleges. Believing that religion and education were the twin foundations of good government, they were willing to make whatever sacrifice was necessary to build good schools and churches.

EDUCATION AND THE AMERICAN TRADITION

As early as 1785, the American Government provided for the ceding of the 16th section of every township in the public domain for educational purposes. Two years later, the Northwest Ordinance of 1787 stated: "Religion, morality, and knowledge being necessary to good government and the happiness of mankind, schools and the means of education shall forever be encouraged."

The Founding Fathers agreed on the need for national support of the schools. In his first message to Congress, Washington said: "There is nothing more deserving your patronage than the promotion of science and literature." Alexander Hamilton, the brilliant first Secretary of the Treasury, declared that "Whatever concerns the general interests of learning * * * are within the sphere of the national councils, as far as regards an application of money." Said Thomas Jefferson: "I think by far the most important bill in our whole code is that for the diffusion of knowledge among the people."