

better. It could have been bigger and better because, while the Federal Forest Service sold 7 billion feet of timber it, according to statements of its chief foresters, could have sold 11 billion feet of Federal forest timber and still have grown timber on the federally owned forest lands as fast as the timber was cut.

The Federal Government by selling 11 billion feet of timber from its Federal lands annually, instead of the present 7 billion feet, can increase the Federal Government's revenue from timber sales by more than \$60 million a year. This will be far above all costs involved for the sale of extra timber and will leave the Government an additional profit of many millions of dollars a year to help finance the cost of Government.

Also the making of more Federal timber available will improve the economy of communities in the federally forested areas by assuring these communities an uninterrupted increased supply of logs which their woodworking industries require to assure full employment.

An artificial shortage of timber available for cutting has existed in the Pacific Northwest for several years due to undercutting on Government sustained yield forest lands. This certified shortage has resulted in many communities in curtailed employment.

By selling more Federal timber the Federal Government still, according to its own experts, can grow young trees to replace the old as fast as the old trees are cut. By doing so it can make money for the Federal Treasury and at the same time increase employment and prosperity in the timbered areas.

I am in full agreement with the text of a letter sent to President Eisenhower, under date of April 17, 1958, urging increased timber cutting on Federal forest lands by the Industrial Forestry Association, of Portland, Ore. The text of the association's letter follows:

The President,

The White House, Washington, D. C.

At the annual meeting of the Industrial Forestry Association, whose members employ more than 63,000 people in western Oregon and Washington today, our subscribers unan-

imously directed that we send you the following telegram:

"With the United States Government owning every other tree in Oregon and Washington which provide the American people with one-quarter of their forest products, it is imperative that a realistic allowable cut of Federal timber be sold each year. In the last 10 years, through failure of the United States to sell more than 7 billion feet of ripe timber which should have been harvested, the economy of Oregon and Washington has lost three-quarters of a billion dollars. Government's failure to sell the full allowable cut has created artificial timber shortages, contributed to inflation of timber prices, and resulted in fewer job opportunities in our States. We respectfully request that you direct the Forest Service and the Bureau of Land Management to sell each year the full allowable cut under sustained yield forest management. Harvest of the full allowable cut of Federal timber is essential to the new housing program, will increase employment, stabilize communities, speed attainment of long-range Federal forestry objectives, and return increased revenue to the Treasury and local governments."

NILS B. HULT,

President, Industrial Forestry Association, Portland, Ore.

SENATE

TUESDAY, APRIL 22, 1958

Rev. John Prescott Robertson, D. D., minister, the First Congregational Church, Braintree, Mass., and chaplain of the Massachusetts Senate, offered the following prayer:

Almighty and Most Gracious God, Father of us all and of our Lord Jesus Christ, whose concerns have become our own: Look upon us now with Thy divine understanding and forgiving affection, as we bring the person Thou alone seest into Thy presence, through our noonday prayer.

Do Thou widen the horizons of our lives until we are as sensitive to the needs of others as we are to our own welfare. Make us restless both in vaunting our faith on street corners and in hiding our talents in the earth. Guard us alike from having too much trust in ourselves and too little faith in Thee.

Give us the courage and the vision, O God, to start where we are; to do what we can; and to speak as we are able; through Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Monday, April 21, 1958, was dispensed with.

MESSAGES FROM THE PRESIDENT

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

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its

reading clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 3816. An act to amend section 752 of title 28, United States Code;

H. R. 5984. An act to authorize the exchange of certain lands at Black Canyon of the Gunnison National Monument, Colorado, and for other purposes;

H. R. 7515. An act to require pilots on certain vessels navigating United States waters of the Great Lakes, and for other purposes;

H. R. 7645. An act to provide for the release of restrictions and reservations contained in instrument conveying certain land by the United States to the State of Wisconsin;

H. R. 7681. An act to authorize the Secretary of the Interior to convey certain land with the improvements located thereon to the Lummi Indian Tribe for the use and benefit of the Lummi Tribe;

H. R. 7710. An act to provide for the lump-sum payment of all accumulated and current accrued annual leave of deceased employees;

H. R. 7953. An act to facilitate and simplify the work of the Forest Service, and for other purposes;

H. R. 8071. An act to authorize the Secretary of the Army to convey an easement over certain property of the United States located in Princess Anne County, Va., known as the Fort Story Military Reservation, to the Norfolk Southern Railway Co. in exchange for other lands and easements of said company;

H. R. 8524. An act 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;

H. R. 9022. An act to amend title 10, United States Code, to authorize the Secretaries of the military departments to settle certain claims in the amount of \$5,000, or less, and to partially pay certain claims which are certified to Congress;

H. R. 9232. An act to amend Public Law 481, 84th Congress (70 Stat. 104);

H. R. 9281. An act to change the designation of the Bureau of Yards and Docks to the Bureau of Civil Engineering, and for other purposes;

H. R. 9381. An act to designate the lake above the diversion dam of the Solano project in California as Lake Solano;

H. R. 9382. An act to designate the main dam of the Solano project in California as Monticello Dam;

H. R. 9738. An act to authorize the Secretary of the Navy to convey to the city of Macon, Ga., a parcel of land in the said city of Macon containing 5.39 acres, more or less;

H. R. 10425. An act to amend section 2734 of title 10, United States Code, so as to authorize the Secretary of the Treasury to settle claims arising in foreign countries incident to noncombat activities of the Coast Guard;

H. R. 11058. An act to amend section 313 (g) of the Agricultural Adjustment Act of 1938, as amended, relating to tobacco acreage allotments;

H. R. 11519. An act to authorize the use of naval vessels to determine the effect of newly developed weapons upon such vessels; and

H. R. 11668. An act to amend section 39 of the Trading With the Enemy Act of October 6, 1917, as amended.

ENROLLED JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled joint resolution (H. J. Res. 588) making advance procurement appropriations for the fiscal year 1958, and for other purposes, and it was signed by the Vice President.

HOUSE BILLS REFERRED OR PLACED ON CALENDAR

The following bills were severally read twice by their titles and referred or placed on the calendar, as indicated:

H. R. 3816. An act to amend section 752 of title 28, United States Code;

H. R. 9022. An act to amend title 10, United States Code, to authorize the Secretaries of the military departments to settle certain claims in the amount of \$5,000, or less, and to partially pay certain claims which are certified to Congress;

H. R. 10425. An act to amend section 2734 of title 10, United States Code, so as to authorize the Secretary of the Treasury to settle claims arising in foreign countries incident to noncombat activities of the Coast Guard; and

H. R. 11668. An act to amend section 39 of the Trading With the Enemy Act of October 6, 1917, as amended; to the Committee on the Judiciary.

H. R. 5984. An act to authorize the exchange of certain lands at Black Canyon of the Gunnison National Monument, Colorado, and for other purposes; placed on the calendar.

H. R. 7515. An act to require pilots on certain vessels navigating United States waters of the Great Lakes, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H. R. 7645. An act to provide for the release of restrictions and reservations contained in instrument conveying certain land by the United States to the State of Wisconsin;

H. R. 8071. An act to authorize the Secretary of the Army to convey an easement over certain property of the United States located in Princess Anne County, Va., known as the Fort Story Military Reservation, to the Norfolk Southern Railway Co. in exchange for other lands and easements of said company;

H. R. 9281. An act to change the designation of the Bureau of Yards and Docks to the Bureau of Civil Engineering, and for other purposes;

H. R. 9738. An act to authorize the Secretary of the Navy to convey to the city of Macon, Ga., a parcel of land in the said city of Macon containing 5³/₁₀₀ acres, more or less; and

H. R. 11519. An act to authorize the use of naval vessels to determine the effect of newly developed weapons upon such vessels; to the Committee on Armed Services.

H. R. 7681. An act to authorize the Secretary of the Interior to convey certain land with the improvements located thereon to the Lummi Indian Tribe for the use and benefit of the Lummi Tribe;

H. R. 8524. An act 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;

H. R. 9232. An act to amend Public Law 481, 84th Congress (70 Stat. 104);

H. R. 9381. An act to designate the lake above the diversion dam of the Solano project in California as Lake Solano; and

H. R. 9382. An act to designate the main dam of the Solano project in California as Monticello Dam; to the Committee on Interior and Insular Affairs.

H. R. 7710. An act to provide for the lump-sum payment of all accumulated and current accrued annual leave of deceased employees; to the Committee on Post Office and Civil Service.

H. R. 7953. An act to facilitate and simplify the work of the Forest Service, and for other purposes; and

H. R. 11058. An act to amend section 313 (g) of the Agricultural Adjustment Act of 1938, as amended, relating to tobacco acreage allotments; to the Committee on Agriculture and Forestry.

COMMITTEE SERVICE

The VICE PRESIDENT. The Chair appoints the Senator from Idaho [Mr. CHURCH] to be a member of the Select Committee on Improper Activities in the Labor or Management Field in place of the Senator from Michigan [Mr. McNAMARA], resigned.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. JOHNSON of Texas. Mr. President, under the rule, there will be the usual morning hour, for the introduction of bills and the transaction of other routine business. I ask unanimous consent that statements made in that connection be limited to 3 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business, to consider the nominations on the Executive Calendar.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

WITHDRAWAL OF TREATIES—MESSAGE FROM THE PRESIDENT

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was referred to the Committee on Foreign Relations:

To the Senate of the United States:

With a view to further study and consideration of certain treaties in the light of developments since they were formulated, and in order to assist the Senate in placing its Treaty Calendar on a relatively current basis, I desire to withdraw from the Senate the following treaties and understandings:

Executive C, 80th Congress, 1st session: Conciliation treaty between the United States of America and the Republic of the Philippines, signed at Manila, November 16, 1946.

Executive T, 80th Congress, 1st session: Convention Concerning Social Security for Seafarers, adopted by the International Labor Conference, Seattle, June 6-29, 1946 (ILO Convention No. 70).

Executive HH, 80th Congress, 1st session: Inter-American Convention on the Rights of the Author in Literary, Scientific, and Artistic Works, signed at Washington, June 22, 1946 (Inter-American Copyright Convention).

Executive G, 81st Congress, 1st session: Convention Concerning Statistics of Wages and Hours of Work in the Principal Mining and Manufacturing Industries, Including Building and Construction, and in Agriculture, adopted by the International Labor Conference, Geneva, June 2-22, 1938 (ILO Convention No. 63).

Executive B, 82d Congress, 1st session: Convention Concerning the Organization of the Employment Service, adopted by the International Labor Conference, San Francisco, June 17 to July 10, 1948 (ILO Convention No. 88).

Executive H, 82d Congress, 1st session: Understanding with respect to ILO Convention No. 63, concerning statistics of wages and hours of work in principal mining and manufacturing industries,

including building and construction, and in agriculture.

Executive J, 82d Congress, 1st session: Convention Concerning Vacation Holidays With Pay for Seafarers, adopted by the International Labor Conference, Geneva, June 8 to July 2, 1949 (ILO Convention No. 91).

Executive K, 82d Congress, 1st session: Convention Concerning Crew Accommodations on Board Ship (revised 1949), adopted by the International Labor Conference, Geneva, June 8 to July 2, 1949 (ILO Convention No. 92).

Executive L, 82d Congress, 1st session: Convention Concerning Wages, Hours of Work on Board Ship and Manning (revised 1949), adopted by the International Labor Conference, Geneva, June 8 to July 2, 1949 (ILO Convention No. 93).

If found to be desirable in the light of the further study and consideration, one or more of the treaties listed above may be resubmitted with a fresh appraisal of their provisions.

DWIGHT D. EISENHOWER.
THE WHITE HOUSE, April 22, 1958.

EXECUTIVE MESSAGE REFERRED

The VICE PRESIDENT laid before the Senate a message from the President of the United States submitting several nominations, which was referred to the Committee on Armed Services.

(For nominations this day received, see the end of Senate proceedings.)

The VICE PRESIDENT. If there be no reports of committees, the nominations on the calendar will be stated.

UNITED NATIONS

The legislative clerk read the nomination of Kingsley Davis, of New York, to be the representative of the United States of America on the Population Commission of the Economic and Social Council of the United Nations.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Dr. Althea K. Hottel, of Pennsylvania, to be the representative of the United States of America on the Social Commission of the Economic and Social Council of the United Nations.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

DIPLOMATIC AND FOREIGN SERVICE

The legislative clerk proceeded to read sundry nominations in the Diplomatic and Foreign Service.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that these nominations be considered en bloc.

The VICE PRESIDENT. Without objection, the nominations in the Diplomatic and Foreign Service will be considered en bloc; and, without objection, they are confirmed.

UNITED STATES COAST GUARD

The legislative clerk proceeded to read sundry nominations in the United States Coast Guard.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that these nominations be considered en bloc.

The VICE PRESIDENT. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed.

UNITED STATES DISTRICT JUDGES

The legislative clerk read the nomination of Edwin D. Steele, Jr., of Delaware, to be United States District Judge for the district of Delaware.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Mendon Morrill, of New Jersey, to be United States District Judge for the district of New Jersey.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

UNITED STATES ATTORNEYS

The legislative clerk proceeded to read sundry nominations of United States attorneys.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that these nominations be considered en bloc.

The VICE PRESIDENT. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed.

UNITED STATES MARSHALS

The legislative clerk proceeded to read sundry nominations of United States marshals.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that these nominations be considered en bloc.

The VICE PRESIDENT. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed.

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

The VICE PRESIDENT. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, the unfinished business is Senate Resolution 281, Calendar No. 1447, authorizing the printing of the committee print Recruitment and Training for the Foreign Service of the United States as a Senate document.

It is the intention of the leadership to bring up, by motion, the following measures:

Senate Resolution 281, Calendar No. 1447, the unfinished business, to which I have just referred.

Calendar No. 1434, Senate bill 1697, to authorize the exchange of certain lands at Black Canyon, Colo.

Calendar No. 1456, Senate bill 3093, to extend for an additional period of 2 years the authority to regulate exports contained in the Export Control Act of 1949.

Calendar No. 1460, Senate bill 2033, to provide for the Board of Trustees of the Postal Savings System to consist of the Postmaster General and the Secretary of the Treasury.

Calendar No. 1395, Senate bill 3295, to amend the Fish and Wildlife Act of 1956 in order to increase the authorization for the fisheries loan fund established under that act.

Calendar No. 1424, House bill 7930, to correct certain inequities with automatic step-increase anniversary dates and longevity step increases of postal-field-service employees.

Calendar No. 1102, House bill 7785, to provide for the appointment of an additional judge for the Juvenile Court of the District of Columbia.

I have previously announced that the leadership proposed to have the Senate proceed this week to the consideration of Calendar No. 1465, Senate bill 2888, to provide for registration, reporting, and disclosure of employee welfare and pension benefit plans. I expressed the thought and hope that the bill could be considered on the basis of its merits—rather full hearings have been held on it—and that the Senate could promptly take action on it, without adding any crippling amendments.

Late on yesterday my colleague, the minority leader, the senior Senator from California [Mr. KNOWLAND], gave notice that he intended to propose, for himself, a series of so-called labor bill-of-rights amendments to this measure. Obviously, if due and proper consideration is to be given to amendments offered on the floor—and, incidentally, let me say that when I made my earlier announcement I did not know those amendments would be offered—the Senate should be on full notice, and the committee which has jurisdiction should have had an opportunity to hear and consider such matters.

I have asked the committee staff to give me a report on the hearings which have been held and the testimony which has been received and as to when they will be able to hold hearings on these amendments, as well as on certain amendments dealing with the same subjects which have been offered by other Senators.

Sometime later, I shall announce to the Senate when we plan to have the Senate proceed to the consideration of Calendar No. 1465, Senate bill 2888. However, I do not expect to do so before the Senate acts on the relatively minor bills to which I have already referred, and until I have received a report from the Committee on Labor and Public Welfare, at which time I shall confer with my distinguished colleague, give him ample advance notice, and make an announcement to the Senate.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

PLANS FOR WATERSHED IMPROVEMENT IN CERTAIN STATES

A letter from the Director, Bureau of the Budget, Executive Office of the President, transmitting, pursuant to law, watershed work plans in the States of Georgia, Indiana, Mississippi, North Carolina, and Oregon (with accompanying papers); to the Committee on Agriculture and Forestry.

WATERSHED IMPROVEMENT IN STATE OF NORTH DAKOTA

A letter from the Assistant Secretary of Agriculture, transmitting, pursuant to law, a watershed work plan for the Elm River Watershed, Traill, Steele, and Cass Counties, North Dakota (with accompanying papers); to the Committee on Public Works.

REPORT OF BOARD OF GOVERNORS, FEDERAL RESERVE SYSTEM

A letter from the Chairman, Board of Governors of the Federal Reserve System, Washington, D. C., transmitting, pursuant to law, a report of that System, covering operations during the year 1957 (with an accompanying report); to the Committee on Banking and Currency.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A joint resolution of the Legislature of the State of California; to the Committee on Public Works:

"Senate Joint Resolution 7

"Joint resolution relative to the completion of the Corning Canal, and construction of the Red Bluff Diversion Dam

"Whereas the number of unemployed people in the United States has been increasing at an alarming rate with a result that the State and Federal Governments are considering worthwhile public works projects to stimulate a greater employment and provide new jobs; and

"Whereas there is general agreement that some public works program should be initiated in addition to any possible tax cuts which, of course, would not assist those persons soon enough who are without employment, and also it is agreed that any public works program should be one which would be as beneficial as possible to the long-range economy of the Nation; and

"Whereas it has been proven over a number of years that water development projects and reclamation projects generally are wealth-producing projects on which the bulk of the costs are repaid by the beneficiaries of the projects, while at the same time, they create more irrigated farms, more homes, and more job opportunities; and

"Whereas the Congress of the United States has authorized the construction of the Red Bluff Diversion Dam, the Corning Canal, and the Red Bluff-Dunnigan Canals of the Sacramento Valley Canals unit of the C. V. P., and the Congress has appropriated considerable sums of money which have been spent on the construction of the Corning Canal, which is incomplete, and has appropriated further sums to finish construction; and

"Whereas this project will furnish additional water which will be used to produce beef and lamb and specialty crops which are in short supply and which are being imported into the United States in the form of frozen precut meat causing unemployment among American workmen; and

"Whereas the projects would complement the State of California's efforts to meet the water requirements of California's rapidly expanding population and solve the water supply problem for the west side of the Sacramento Valley in California: Now, therefore, be it

Resolved by the Senate and Assembly of the State of California, jointly. That the Legislature of the State of California respectfully memorializes the President to order that construction contracts be let within 30 days for the completion of the Corning Canal and within 60 days to commence construction of the Red Bluff Diversion Dam, and that the Congress of the United States appropriate such sums as are necessary to complete construction of the Corning Canal, the Red Bluff Diversion Dam and the Red Bluff-Dunnigan Canal; and be it further

Resolved. That the secretary of the senate be hereby directed to transmit copies of this resolution to the President and Vice President of the United States; to the Speaker of the House of Representatives; to each Senator and Representative from California in the Congress of the United States; to W. A. Dexheimer, Commissioner of Reclamation; to Harvey O. Banks, Director of Water Resources of the State of California."

A resolution of the Fourth Guam Legislature, Territory of Guam; to the Committee on Armed Services:

"Resolution 282

"Resolution relative to expressing the appreciation of the people of Guam to the military services of the United States for their extensive defense establishments within the Territory, and emphasizing the continued desire and interest in welcoming even more extensive military utilization of this Territory

"Be it resolved by the Legislature of the Territory of Guam—

"Whereas in other areas of the world wherein the United States have established extensive military facilities as part of the global battle to defend the free world, dissatisfaction and annoyance over the necessary changes and imbalances attendant upon such establishments have been expressed by the people of such areas; and

"Whereas the United States Armed Forces have in this Territory also established large and extensive military facilities which have by their very size and complexity necessarily caused changes and deviations from a normal civilian economy for Guam; and

"Whereas despite such initial strains the people of this Territory have been enormously benefited by the opportunities provided for employment in connection with such military bases and in addition have appreciated the knowledge that such bases are playing a vital role in protecting the American and democratic system; and

"Whereas the highly satisfactory relationship existing between the Armed Forces on Guam and the people of the Territory demonstrated convincingly the ability of the American system of representative government, even when operating in a comparatively small arena, to handle with dispatch and fairness the problems and difficulties large military establishments bring about: Now, therefore, be it

Resolved. That the Fourth Guam Legislature does hereby on behalf of the people of Guam express to the Armed Forces of the United States sincere gratitude and appreciation for the extensive military establishments within the Territory which play such an important part in the economic well-being of this island; and be it further

Resolved. That the Fourth Guam Legislature on behalf of the people of Guam does hereby extend a wholehearted invitation to the defense agencies of the United States to establish additional military and related facilities on Guam as such are required in the

continuing defense effort necessitated by the cold war; and be it further

Resolved. That such invitation be extended in the comforting knowledge that the democratic process, whose practice and procedures are now routine in this, the newest American Territory, assures meaningful and successful cooperation by the people of Guam with the efforts of our Armed Forces in such further establishment of defense facilities on Guam, which guarantees the absence of ill-will and dissatisfaction expressed in other areas wherein the American Constitution does not, as it does here, hold full sway; and be it further

Resolved. That the speaker certify to and the legislative secretary attest the adoption hereof and that copies of the same be thereafter transmitted to the Honorable Dwight D. Eisenhower, Commander in Chief, United States Armed Forces; the Honorable Richard Nixon, President of the Senate; the Honorable Neil McElroy, Secretary of Defense of the United States; the Honorable Thomas S. Gates, Jr., Secretary of the Navy; the Honorable Sam Rayburn, Speaker of the House of Representatives; Rear Adm. W. B. Ammon, United States Navy, commander, naval forces, Marianas; Maj. Gen. Charles W. Schott, commander, Third Air Division, Strategic Air Command; Lt. Col. Victor Gray, United States Army, 809 Engineer Battalion; and to the Honorable Richard Barrett Lowe, Governor of Guam.

"A. B. WON PAT,
"Speaker.

"Attest:

"V. B. BAMBA,
"Legislative Secretary."

A resolution adopted by the Presbytery of Yukon in Alaska, at Palmer, Alaska, favoring the enactment of legislation to provide statehood for Alaska; ordered to lie on the table.

RESOLUTION OF HOWARD GREELEY RURAL PUBLIC POWER DISTRICT

Mr. HUMPHREY. Mr. President, the Howard Greeley Rural Public Power District has recently adopted a resolution supporting my bill, S. 2990, to amend Reorganization Plan No. 2 of 1953 pertaining to the REA Administrator.

I ask unanimous consent that the resolution be printed in the RECORD, and appropriately referred.

There being no objection, the resolution was referred to the Committee on Government Operations, and ordered to be printed in the RECORD, as follows:

Whereas Ezra Taft Benson, Secretary of Agriculture, has violated the trust of the Congress in regard to the changes he has made in the structure and functioning of the Rural Electrification Administration; and

Whereas Rural Electrification Administration can no longer function efficiently and effectively as a result of this action by the Secretary of Agriculture; and

Whereas this situation was brought about by passage of the Reorganization Plan No. 2 of 1953; and

Whereas Senator HUBERT HUMPHREY, of Minnesota, has introduced bill S. 2990 that said section shall not hereafter apply to the Rural Electrification Administration and there are hereby transferred to the Administrator of the Rural Electrification Administration all functions which were transferred from the Administrator to the Secretary of Agriculture by such Reorganization Plan: Now, therefore, be it

Resolved by the board of directors of the Howard Greeley Rural Public Power District in regular session assembled this 1st

day of April 1958. That the directors of the Howard Greeley Rural Public Power District request Senators CURTIS and HRUSKA and Congressmen MILLER, WEAVER, CUNNINGHAM, and HARRISON to support said bill which would rectify the situation; be it further

Resolved. That a copy of this resolution be mailed to Senators CURTIS and HRUSKA, and Congressman MILLER, WEAVER, CUNNINGHAM, and HARRISON; and be it further

Resolved. That Senator HUMPHREY, a true friend of the Rural Electrification Administration, be commended for his work in behalf of the Rural Electrification Administration, and that a copy of this resolution be also mailed to him.

CHARLES DOBEY,
Secretary.

RESOLUTIONS OF LEGISLATURE AND POLITICAL SUBDIVISIONS OF STATE OF NEW YORK

Mr. JAVITS. Mr. President, I present for printing in the RECORD certain petitions and memorials, one coming from the Legislature of the State of New York memorializing Congress to act with respect to the crisis in the railroad industry. The others are sundry matters from political subdivisions of the State of New York.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

Resolution 153

Concurrent resolution memorializing Congress to enact appropriate legislation to enable the railroad industry to compete with other forms of transportation which are aided by public funds

Whereas the railroad industry in the State of New York because of the vast service it provides the public as transporter of passengers and freight, as employer of more than 100,000 persons earning over \$430 million annually, as a taxpayer contributing \$45 million annually in real estate and special franchise taxes in the State, and as purchaser and consumer of goods and services amounting to hundreds of millions of dollars annually plays a tremendously vital role in the economy of our State and Nation; and

Whereas it has become generally recognized that the railroad industry is in a precarious financial situation warranting immediate action by Government at all levels; and

Whereas a recent report of the public service commission of the State of New York confirms that "the entire ailing passenger transportation industry is badly in need of resuscitative governmental assistance;" and

Whereas there are pending before the New York State Legislature several proposals designed to provide equitable tax relief to the railroads so as to place them on a basis more nearly competitive with other forms of transportation; and

Whereas it is essential to the economy of our State and Nation that the railroads continue to operate under private ownership earning a fair return so as to avoid the alternative of public ownership at incalculable cost to the public: Now, therefore, be it

Resolved (if the assembly concur). That the Congress of the United States be memorialized to enact appropriate legislation to: (a) obviate archaic controls originally enacted in an era when the railroad industry enjoyed a transportation monopoly, so as to permit the industry fairly to compete with other forms of transportation which are substantially aided by public funds or facilities; (b) amend the internal revenue law to make available to the railroad industry the full advantage of any subsidy or tax forgiveness which may be provided it by this or any State; (c) repeal the Federal excise tax on

freight transportation and the Federal excise tax on passenger transportation; and be it further

Resolved (if the assembly concur), That copies of this resolution be transmitted to the President of the United States, the Secretary of the Senate and the Clerk of the House of Representatives and to each Member of the Congress of the United States duly elected from the State of New York and that the latter be urged to devote themselves to the task of accomplishing the purpose of this resolution.

By order of the senate.

WILLIAM S. KING,
Secretary.

Whereas there has been introduced in the Congress of the United States Senate bill 1165, which provides for additional pay and promotion for members of the legal profession serving with the armed services in a legal capacity, bringing the pay and promotion status of military lawyers to a level commensurate with the special professional pay and promotion schedule now available to members of the medical and other learned professions serving with the military; and

Whereas it is the sense of this association that lawyers should receive such commensurate compensation and rank, for their professional training and skill are certainly as valuable to the Armed Forces as those of the other learned professions; that the armed services are having great difficulty in procuring and retaining even a minimum of military lawyers, and that if they are unable to do so, it will be impossible to administer properly the present Uniform Code of Military Justice; that said code was made the basis of military justice largely through the efforts of civilian lawyers, and that we therefore having a responsibility to ensure its successful operation; and that, finally, this bar has a peculiar interest in and knowledge of the needs and problems of the armed services: Therefore, be it

Resolved, That the Lockport Bar Association endorses Senate bill 1165, and urges upon the Congress of the United States its passage, and the secretary be and he is directed to send copies of this resolution to the Honorable WILLIAM E. MILLER, IRVING M. IVES, and JACOB K. JAVITS, and to the American Bar Association.

Resolution requesting the legislators representing the county of Orange in the Congress of the United States to intercede with the Department of the Army in an effort to prevent a proposed reduction in the National Guard

Whereas it has been brought to the attention of this board that the Department of the Army will direct that a revised troop basis for the Army National Guard be instituted, calling for the elimination of 30 percent or approximately 1,700 federally recognized units of the National Guard and the possible elimination of the National Guard units at Newburg and Middletown in the county of Orange; and

Whereas such action will leave the county without National Guard protection to supplement local authorities in cases of riots or other emergencies; and

Whereas the elimination of said National Guard units will have a detrimental economic effect on the entire region and will make it difficult, if not impossible, for present members of the National Guard to complete their training programs:

Resolved, That the legislators representing the county of Orange in the Congress of the United States be requested to intercede with the Department of the Army in an effort to prevent such proposed reduction of the National Guard and to do everything else in their power to maintain the National Guard

at its present strength in the county of Orange; and be it further

Resolved, That the clerk of this board be authorized to forward certified copies of this resolution to the legislators representing the county of Orange in the United States Congress forthwith, and that the chairman of this board be authorized to send to said legislators such communications as he may deem desirable in furtherance of the aims set forth in this resolution.

LESTER J. ROOSA,

Clerk of the Board of Supervisors,
County of Orange, State of New York.

RESOLUTION

Whereas the Niagara Falls Commission on Unemployment has made a thorough study of the employment situation in Niagara Falls and have reported to this city council that there is a very large number of people unemployed in the area and that this number is increasing; Now, therefore, be it

Resolved, That this city council hereby requests the Federal and State Governments declare the Niagara Falls area to be an extremely distressed and critical labor surplus area; and be it further

Resolved, That this city council does hereby request Secretary of Defense Neil McElroy to place as many as possible military defense orders with our local industrial plants; and be it further

Resolved, That the Governor of the State of New York and Federal and State legislators be and they hereby are requested to make available in the Niagara Falls area whatever programs are possible in order to assist in reducing unemployment, and the City Clerk is hereby directed to forward a copy of this resolution to Honorable Averell Harriman, Governor of the State of New York, State Capitol, Albany, N. Y.; Honorable Secretary of Defense, Neil McElroy, Washington, D. C.; Senator Jacob Javits, Senate Office Building, Washington, D. C.; Senator Irving Ives, Senate Office Building, Washington, D. C.; Representative William E. Miller, House of Representatives, Washington, D. C.; Senator Earl W. Brydges, 426 Third Street, Niagara Falls, N. Y.; Assemblyman Ernest Curto, Gluck Building, Niagara Falls, N. Y.; Assemblyman Harold Altro, 242 South Transit Street, Lockport, N. Y.; Mr. Robert Goodwin, Director of the Bureau of Employment Security, Washington, D. C.; Mr. Louis Levine, Director of Program Analyses, U. S. Department of Labor, Washington, D. C. and Mr. Carl Wedeking, Director of the Division of Employment Service, United States Department of Labor, New York City, N. Y.

Witness my hand and seal this 9th day of April 1958.

JAMES E. COLLINS,
City Clerk.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BYRD, from the Committee on Finance, without amendment:

H. R. 9655. An act to permit articles imported from foreign countries for the purpose of exhibition at the Oregon State Centennial Exposition and International Trade Fair to be held at Portland, Oreg., to be admitted without payment of tariff, and for other purposes (Rept. No. 1463).

By Mr. HOLLAND, from the Committees on the Judiciary and Agriculture and Forestry, jointly, with amendments:

S. 1356. A bill to amend the antitrust laws by vesting in the Federal Trade Commission jurisdiction to prevent monopolistic acts or practices and other unlawful restraints in commerce by certain persons engaged in com-

merce in meat and meat products, and for other purposes (Rept. No. 1464).

By Mr. ANDERSON, from the Joint Committee on Atomic Energy, without amendment:

S. 3632. A bill to amend Public Law 85-162 to increase the authorization for appropriations to the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes (Rept. No. 1465).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SALTONSTALL (by request):

S. 3661. A bill for the relief of Han Soon Lee (also known as Ow Kau); to the Committee on the Judiciary.

By Mr. MURRAY (for himself and Mr. KUCHEL):

S. 3662. A bill to authorize and direct the Secretary of the Navy to acquire in fee or otherwise lands and rights in land on the Island of Guam, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. WILLIAMS:

S. 3663. A bill to strengthen the law with respect to bribery and graft; to the Committee on the Judiciary.

(See the remarks of Mr. WILLIAMS when he introduced the above bill, which appear under a separate heading.)

By Mr. JAVITS (for himself, Mr. IVES, Mr. POTTER, and Mr. SALTONSTALL):

S. 3664. A bill to provide assistance to small-business concerns to facilitate adjustment made necessary by the foreign trade policy of the United States, and for other purposes; to the Committee on Banking and Currency.

(See the remarks of Mr. JAVITS when he introduced the above bill, which appear under a separate heading.)

By Mr. HUMPHREY:

S. 3665. A bill for the relief of Choe Kum Bok; to the Committee on the Judiciary.

By Mr. CHAVEZ:

S. 3666. A bill for the relief of Feng Yeah Chow; to the Committee on the Judiciary.

By Mr. KEFAUVER (for himself and Mr. LANGER):

S. 3667. A bill to amend section 1461 of title 18 of the United States Code with respect to the mailing or causing the delivery by mail of obscene matter to minors, and for other purposes; to the Committee on the Judiciary.

(See the remarks of Mr. KEFAUVER when he introduced the above bill, which appear under a separate heading.)

By Mr. ALLOTT (for himself and Mr. CARROLL):

S. 3668. A bill for the relief of McCune C. Ott; to the Committee on the Judiciary.

By Mrs. SMITH of Maine:

S. 3669. A bill to amend the Commodity Exchange Act to prohibit trading in potato futures in commodity exchanges; to the Committee on Agriculture and Forestry.

By Mr. MURRAY (by request):

S. 3670. A bill to provide for the transfer of title to certain land at Sand Island, T. H., to the Territory of Hawaii, and for other purposes; to the Committee on Interior and Insular Affairs.

GLACIER NATIONAL PARK LOOP ROAD

Mr. MANSFIELD. Mr. President, Montana can boast of having one of the finest national parks and scenic landmarks in the Nation, Glacier National

Park, and to the north, on the Canadian side of the boundary is Waterton Lakes National Park, a similarly fine national park. The unfortunate thing about these two adjoining parks is that travel between the two has been limited because of the inability to construct a highway connection on the western side of the parks.

For a number of years civic groups in Montana and Canada have promoted the idea of a figure-8 loop road system which would connect these two national parks and would facilitate travel in this area.

The American portion of the highway is partially constructed and surveys have been made of the portion north and west of the Going-to-the-Sun Highway. The completion of the American section of this road is included in the Mission 66 program and completion of the construction is scheduled for 1963. I understand that this work could go ahead of schedule if sufficient funds were allocated.

The only outlet north of the border at the present is a truck road for 60 miles—and passable only during late summer and early fall months—from the Canadian line past the old mining town of Corbin in British Columbia to Canada's surfaced, East-West Highway No. 3 between Crowsnest Pass and Michel.

Development of the Canadian section of the loop road hinges on British Columbia. If the province will permit enlargement of Waterton Lakes National Park or a park-access road on the west, the proposed loop road on the west for Glacier and Waterton will become a reality.

Mr. President, in order to promote the construction of this highway I have submitted a resolution requesting the Secretary of State to negotiate with the Canadian Government on the completion of the loop road linking the Glacier National Park in the United States and the Waterton Lakes National Park in Canada.

Mr. President, I ask unanimous consent that a memorandum prepared by the Senate Foreign Relations Committee on this matter be printed in the RECORD at the conclusion of my remarks.

The VICE PRESIDENT. The resolution will be received and appropriately referred; and, without objection, the memorandum will be printed in the RECORD.

The resolution (S. Res. 293) was referred to the Committee on Foreign Relations, as follows:

Whereas Glacier National Park in the United States is adjacent to Waterton Lakes National Park in Canada; and

Whereas the construction of 3 missing links (2 in the United States and 1 in Canada) in existing highways would provide a loop road linking these 2 parks; and

Whereas such a loop road would increase the accessibility of both national parks and thereby promote the public convenience: Now, therefore, be it

Resolved, That the Secretary of State is requested to bring to the attention of the appropriate officials of the Government of Canada the deep interest of the Senate in the completion of the loop road linking the Glacier National Park in the United States and the Waterton Lakes National Park in Canada.

The memorandum presented by Mr. MANSFIELD is as follows:

MEMORANDUM

APRIL 22, 1958.

To: Senator MANSFIELD.

From: Senate Foreign Relations Committee.

Subject: Glacier National Park Loop Road.

Three segments of construction are involved:

1. The Camas Creek cut-off, a distance of 13.3 miles, which would run from an existing park road at the southwest end of Lake McDonald to the forest highway in Flathead National Forest. The estimated cost is \$2.9 million, and it is in the National Park Service's Mission 66 plan as scheduled to start in 1963. This road involves a bridge across the Flathead River, the middle of which forms the western boundary of Glacier National Park. From the river to the forest highway is a distance of approximately 1 mile. For the Park Service to build this portion of the road plus the half of the bridge not in the park, it will be necessary for the Secretary of the Interior to make a determination that this is necessary for access to the park. Officials of the Park Service to whom we talked have no doubt that such a determination will be made at the appropriate time.

2. The Kishinena Creek cut-off, a distance of 3 miles. This is north of the Camas Creek cut-off and runs from the forest highway back across the Flathead River through a corner of Glacier National Park to the Canadian border. The estimated cost is \$450,000, and in the Mission 66 plans, construction is scheduled to start in 1964. The same determination would have to be made by the Secretary of the Interior as in the case of the Camas Creek cut-off regarding a segment of approximately 1 mile plus half of another bridge across the Flathead River.

3. The Canadian section running from the United States-Canadian border through the province of British Columbia and into Waterton Lakes National Park, connecting at Akamina Pass with an existing Canadian park road. The distance of the Canadian section is approximately 15 miles in British Columbia plus about 3 miles in Waterton Lakes National Park. There is no estimate of cost available in the National Park Service.

Completion of these 3 sections would provide a loop of approximately 130 miles in length.

The principal difficulty involves a problem of Canadian Federal-Provincial relations in regard to the 15 miles of the Canadian section which is in British Columbia and outside the boundaries of the Waterton Lakes National Park. The Canadian Government is described by officials of the State Department as in favor of the project and willing to go ahead. It cannot do so, however, as long as the area belongs to British Columbia. The Provincial government is said to be considering whether to make the area a Provincial park, in which case it would build the road as a Provincial matter, or to cede the area to the Federal Government. The area is remote from population centers of British Columbia, and some Provincial officials doubt that park development there could be justified from the point of view of British Columbia. The matter is further complicated by the question of mineral rights and the prospect that there may be mineral development on lands through which the proposed right-of-way would run.

Things have been rather at a standstill in Canada while the Federal and Provincial Governments separately considered which should approach the other in regard to proceeding with the project. The until recently unsettled political situation has been another factor making for delay and inertia.

The Department of State last summer sent a standby instruction to the American Embassy in Ottawa to take the matter up again with the Canadian Government when, in the Embassy's judgment, the time was opportune. At our request, the Department is asking the Embassy for its present assessment of the situation.

The officials of the National Park Service with whom we discussed this matter say that, although the two American segments are not now scheduled to start until 1963 and 1964, they could be started sooner if the problem of the Canadian section were settled. The Camas Creek cut-off joins two existing roads within the United States and could conceivably be built regardless of what is done about the Canadian section. It is our impression, however, that the Park Service prefers to approach the project as a whole.

STRENGTHENING OF LAW WITH RESPECT TO BRIBERY AND GRAFT

Mr. WILLIAMS. Mr. President, I introduce, for appropriate reference, a bill to strengthen the law with respect to bribery and graft.

The purpose of this bill is to strengthen the law with respect to bribery and graft. In the light of some of the evidence obtained through Congressional hearings the need for this type of legislation has been clearly demonstrated.

The bill introduced here today is a reproduction of Senate bill 2014, introduced in the 84th Congress. In brief, it will discourage the questionable practice which, on numerous occasions, has been called to our attention by Congressional committees wherein employees who had held high positions either in procurement or in decisionmaking agencies of the Government subsequently obtained rather lucrative positions with the same corporations which they had favored.

This proposed legislation would not prevent the bona fide employment of a Government official by any company with whom he wished to become associated. It simply provides that when such employee accepts a position with a company with whom his agency did business during his period of Government service, the agency with whom he worked would be officially put on notice of his intentions to enter the employment of the company. With the Government properly on notice, the agency involved would have ample opportunity to discover those few cases wherein such employment could be questioned.

This proposed legislation was drawn up with the cooperation of the Honorable Lindsay C. Warren, the former Comptroller General of the United States, and a letter of endorsement by the present Comptroller General, Mr. Joseph Campbell, is being incorporated here today.

Mr. Warren, while serving as Comptroller General, in a letter dated August 18, 1950, and addressed to me, said, and I quote:

The broad subject of Government officers and employees going to work for Government contractors long has been of deep concern to the General Accounting Office. Certainly,

there can be no objection to any legitimate efforts of such people to obtain employment in private industry, or to efforts of private industry to secure the services of qualified employees. But it is equally certain that arrangements of this kind must be consistent with the public interest. I think you will agree that there is inherent in the public service and in dealings with the Government, the requirements for exceptionally high standards of conduct.

The real danger lies in the illicit inducement of Federal personnel by Government contractors, and solicitation by those personnel of an advantage from the contractors. As shown in my reports to the Congress and testimony before its committees, this may take the form of highly remunerative positions, or expensive entertainment, or other things of value, in return for special favors or privileges for the contractors. Often it originates or is implemented by veiled or outright connivance on the part of the Government people involved. Whether consummated or not, such dealings are inimical to the interests of the United States. They are nothing less than plain bribery.

The former Comptroller General then suggested certain amendments to strengthen those sections of the criminal statutes dealing with the bribery of Government officers and employees, and those suggestions are contained in the first part of this bill.

The mere existence of these provisions on the statute books would have a powerful deterrent effect on wrongdoing. The intent and the overt act to defeat the public interest or to defraud the United States by connivance between Government employees and contractors for future employment would be punishable. Yet those whose arrangements are entirely legal and ethical would not be penalized. They would have ample protection to do what the honest businessman does in the everyday course of business. At the same time the Government, through information given to the agencies, would have effective means for checking on the legality of the dealings with special reference to established safeguards for the expenditure of public funds.

In view of the extensive Government procurement and the major decisions which automatically are made by the executives of some of our agencies, I cannot too strongly urge consideration of this measure. I emphasize that this bill will not restrict the bona fide employment of men leaving Government service for private industry; it will only prevent such employment being offered as an inducement for favorable decisions.

I ask unanimous consent that the bill, together with the letter of March 17, 1958, signed by Mr. Campbell, Comptroller General of the United States, endorsing this bill, be incorporated in the RECORD.

THE VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill and letter will be printed in the RECORD.

The bill (S. 3663) to strengthen the law with respect to bribery and graft, introduced by Mr. WILLIAMS, was received, read twice by its title, referred to the Committee on the Judiciary, and

ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That section 201 of title 18 of the United States Code is amended to read as follows:

"SEC. 201. Offer to officer or other person.

"Whoever directly or indirectly promises, offers, or gives, or commits any overt act intended or designed to be or lead to a promise, offer, or gift of, any money, emolument, profit, advantage, benefit, position, employment, opportunity, advancement, or thing of value or makes or tenders any check, order, contract, undertaking, obligation, gratuity, or security for the payment of money or for the delivery or conveyance of anything of value, to any officer or employee or person acting for or on behalf of the United States, or any department or agency thereof, in any official function, under or by authority of any such department or agency or to any officer or person acting for or on behalf of either House of Congress, or of any committee of either House, or both Houses thereof, with intent or design to influence his decision or action on any question, matter, cause, or proceeding which may at any time be pending, or which may by law be brought before him in his official capacity, or in his place of trust or profit, or with intent or design to influence him to commit or aid in committing, or to collude in, or allow any fraud or make opportunity for the commission of any fraud, on the United States, or to induce him to do or omit to do any act in violation of his lawful duty, shall be fined not more than three times the amount of such money or value of such thing or imprisoned not more than 3 years, or both.

"This section shall not apply to violations of section 212 of this title."

SEC. 2. Section 202 of title 18 of the United States Code is amended to read as follows:

"SEC. 202. Acceptance or solicitation by officer or other person.

"Whoever, being an officer or employee of, or person acting for or on behalf of, the United States, in any official capacity, under or by virtue of the authority of any department or agency thereof, or an officer or person acting for or on behalf of either House of Congress, or of any committee of either House, or of both Houses thereof, directly or indirectly asks, solicits, seeks, accepts, or receives, or commits any overt act intended or designed to obtain any money, or any check, order, contract, promise, offer, gift, emolument, profit, advantage, benefit, position, employment, opportunity, advancement, undertaking, obligation, gratuity, or security for the payment of money, or for the delivery or conveyance of anything of value, with intent or design to have his decision or action on any question, matter, cause, or proceeding which may at any time be pending, or which may by law be brought before him in his official capacity, or his place of trust or profit, influenced thereby, shall be fined not more than three times the amount of such money or value of such thing or imprisoned not more than 3 years or both; and shall forfeit his office or place and be disqualified from holding any office of honor, trust, or profit under the United States.

"This section shall not apply to violations of section 213 of this title."

SEC. 3. Chapter 11 of title 18 of the United States Code is amended by adding at the end thereof the following new section:

"SEC. 224. Certain former officers and employees of the United States required to report private employment.

"Whoever, having been employed in any executive department or independent establishment of the United States, as a civilian officer or employee receiving compensation at a rate in excess of \$5,000 per annum

or having been a commissioned officer in the uniformed services as defined in section 102 of the Career Compensation Act of 1949, within 2 years after the time when such employment or services in such department or independent establishment of the United States has ceased, shall accept, receive, or enter into any employment, appointment, agency, or service with or for any private individual, firm, company, corporation, or contractor, which, of his knowledge during the period of service of such officer or employee of the United States, transacted business with such executive department or independent establishment, and shall not promptly notify in writing the department or independent establishment concerned, shall be fined not more than \$2,000 or imprisoned not more than 6 months, or both."

The letter presented by Mr. WILLIAMS is as follows:

COMPTROLLER GENERAL OF THE
UNITED STATES,
Washington, March 17, 1958.

HON. JOHN J. WILLIAMS,
United States Senate.

DEAR SENATOR WILLIAMS: Your letter of March 4, 1958, acknowledged March 5, requests our comments on S. 2014, 84th Congress, to strengthen the law with respect to bribery and graft.

Sections 1 and 2 of S. 2014 would have amended sections 201 and 202 of title 18 of the United States Code to include certain additional acts among those defined as constituting "bribery" or "graft" as related to officers and employees of the United States. Section 3 of the bill would have added a new section 224 to title 18 to require that certain former officers and employees of the United States report their private employment to the department or agency in which they have served.

In a letter of August 10, 1950, you asked, among other things, for our suggestions relative to the reemployment of Government employees by firms with whom they had negotiated contracts and in reply of August 18 we suggested certain language designed to answer your purpose.

A bill, S. 974, conforming in all essential respects to our suggested language was introduced in the 82d Congress by you (for yourself, Mr. DWORSHAK, and Mr. Ecton). In a report of June 13, 1951, to the chairman, Subcommittee on Improvements in the Federal Criminal Code, United States Senate, we suggested that certain changes be made in the language of the private employment reporting requirements which would have been imposed on S. 974. This bill, S. 2014, conforms in all respects to our suggestions, including the changes in the private employment reporting requirements.

On various occasions we have expressed the view that the bribery statutes should be strengthened. And, in the letter of August 18, 1950, we said that:

"The broad subject of Government officers and employees going to work for Government contractors long has been of deep concern to the General Accounting Office. Certainly there can be no objection to any legitimate efforts of such people to obtain employment in private industry, or to efforts of private industry to secure the services of qualified employees. But it is equally certain that arrangements of this kind must be consistent with the public interest. I think you will agree that there is inherent in the public service, and in dealings with the Government, the requirement for exceptionally high standards of conduct.

"The real danger lies in the illicit inducement of Federal personnel by Government contractors, and solicitation by those personnel of an advantage from the contractors. As shown in my reports to the Congress and testimony before its committees, this may

take the form of highly remunerative positions, or expensive entertainment, or other things of value, in return for special favors or privileges for the contractors. Often it originates or is implemented by veiled or outright connivance on the part of the Government people involved. Whether consummated or not, such dealings are inimical to the interests of the United States. They are nothing less than plain bribery."

The language suggested in the letter was designed to correct that situation. There has been no change in our views in that respect, and hence we would favor the enactment of a bill like S. 2014.

In hearings held June 14, 1951, on S. 974, a question was raised as to why the word "design" was added to the bill as an alternative to the word "intent." In our view the word "design" is not fully synonymous with the word "intent." The word "design" may and usually does mean something more than the word "intent," as ordinarily understood in criminal offenses. It carries with it an idea of a plan, a scheme, a deliberate purpose. The word "intent," on the other hand, does not necessarily carry with it the idea of a deliberate purpose or plan. In an action for conspiracy, the words "design" and "purpose" are synonymous. Hence, in order to give the section the widest possible application, we suggested that the word "design" be included in the bill.

Sections 201 and 202 of title 18 provide, among the penalties for their violation, for a fine of not more than three times the amount of money or thing of value promised, offered, or given, or asked, accepted, or received; and in our letter of August 18, 1950, we did not comment on such penalty. Upon further consideration of the matter, however, we believe that some difficulty may be experienced in fixing the actual value of an emolument, benefit, position, employment, opportunity, or advancement for purposes of computing the fine, and, therefore, it appears that such maximum fine as may be provided by this bill should be stated as a fixed sum.

We trust the foregoing will be sufficient for your purposes.

Sincerely yours,

JOSEPH CAMPBELL,

Comptroller General of the United States.

ASSISTANCE TO CERTAIN SMALL-BUSINESS CONCERNS

Mr. JAVITS. Mr. President, on behalf of myself, the Senator from Massachusetts [Mr. SALTONSTALL], the Senator from Michigan [Mr. POTTER], and my senior colleague from New York [Mr. IVES], I introduce a bill to provide assistance to small-business concerns adversely affected by foreign trade and to enable them to make the adjustments made necessary by the foreign-trade policy of the United States.

Mr. President, while extension of the Reciprocal Trade Agreements Act is essential to the growth, development, and prosperity of the United States and of the entire Free World, and I shall fully support it, it is, nevertheless, incumbent upon those of us who most strongly support the extension to exert initiative and leadership in solving the problems of businesses and employees whose economic welfare is adversely affected by increased imports. Mr. President, it is in this spirit today my colleagues and I are introducing the bill.

The answer to the problems of such businesses and employees adversely affected by imports is not to go protection-

ist; it is to provide concrete assistance which will enable those businesses affected to make a smooth transition into another line which can compete economically and successfully in the open domestic market. Indeed, Mr. President, it is a fact that only about 200,000 to 400,000 employees in the United States are engaged in businesses which are adversely affected by imports, compared to the 4.5 million domestic workers who are engaged in export.

Mr. President, the bill has a number of rather distinctive and new features.

Section 1: Where a finding is made by the Tariff Commission of a substantial injury to an industry under the so-called escape clause of the Trade Agreements Act and where a recommendation has been made to the President which the President fails to approve, thereupon a small-business concern within that industry becomes eligible for loans from the Small Business Administration. Such loans are based upon the disaster loan provisions of the present law—which are substantially easier to obtain than normal small-business loans.

Section 2: The bill further contemplates that small businesses which have been adversely affected by the foreign trade policies of the United States may pool their productive capacities with the consent of the Federal Trade Commission and Attorney General without violating the antitrust laws. This will enable them in some cases to make their own operations more economical and less subject to foreign competition.

Section 3: The Secretary of Commerce, acting through the Office of Area Development, is charged with the general coordination of governmental assistance to these businesses which are so affected.

Section 4: Finally, the bill provides amendments to the Internal Revenue Code of 1954 providing for a rapid amortization, and therefore a tax abatement, as follows:

First. Where the line of business, and hence the capital investment of a company has been hurt by the United States trade policy described above, and where the facilities are not fully depreciated for tax purposes the bill would permit a step-up in the depreciation rate of the existing equipment; the justification being that as trade policies have adversely affected the company, they have had a serious economic effect on the investment of the small business in its capital equipment. It is not illogical that this should be reflected in a tax reduction based upon the economic loss incurred.

Second. The bill also provides for rapid amortization of facilities of a small business which did not exist at the time when the trade policy first affected it, but was acquired subsequently for the purpose of converting the business and developing new and different lines of production or improving old ones in order to cope with the adverse effect of the trade policies. This will, of course, provide an incentive for the small business to take account of the changed condition brought about by the trade policies of the United States and develop other fields of enterprise.

Mr. President, I ask that the bill be appropriately referred, and I ask unanimous consent that the text of the bill be printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 3664) to provide assistance to small-business concerns to facilitate adjustment made necessary by the foreign trade policy of the United States, and for other purposes, introduced by Mr. JAVITS (for himself, Mr. SALTONSTALL, Mr. IVES, and Mr. POTTER), was received, read twice by its title, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That (a) section 207 of the Small Business Act of 1953 is amended by adding at the end thereof a new subsection as follows:

"(c) (1) The administration also may make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) as it may determine to be necessary or appropriate to enable individual small-business concerns which have been adversely affected by the foreign trade policies of the United States to adjust to changed economic conditions through plant construction, conversion or expansion (including the acquisition of land), the acquisition of new equipment, facilities, machinery, supplies, or materials, or the liquidation thereof, or as may otherwise be required to meet such changed conditions.

"(2) For purposes of this subsection, a small-business concern shall be considered to have been adversely affected by the foreign trade policies of the United States, if the Administrator finds that—

"(A) it is a member of an industry concerning which the United States Tariff Commission, in a proceeding under section 7 of the Trade Agreements Extension Act of 1951 (the so-called 'escape clause'), has made a recommendation for action by the President to prevent or remedy injury to such industry;

"(B) the President has failed to take such action within the time specified in subsection (c) of such section 7; and

"(C) such small-business concern has actually suffered serious economic injury from increased imports of a product upon which a concession has been granted under a foreign trade agreement.

"(3) No loan under this subsection (including renewals and extension thereof) shall be made for a period or periods exceeding 20 years, or bear interest, on the administration's share of the loan, at a rate in excess of 3 percent per annum.

"(4) A certificate of eligibility shall be issued by the Administrator, upon request, to any small-business concern which meets the requirements of paragraph (2) of this subsection."

(b) Section 204 (b) of such act is amended—

(1) by striking out "\$455 million" wherever it appears and inserting in lieu thereof "\$555 million";

(2) by inserting ", and (c)" before the period at the end of the fourth sentence; and

(3) by inserting immediately before the last sentence a new sentence as follows: "Not to exceed an aggregate of \$100 million shall be outstanding at any one time for the purposes enumerated in section 207 (c)."

SEC. 2. Section 217 (b) of the Small Business Act of 1953 is amended by inserting immediately after the phrase "to the national defense" the phrase "or to the well-being of

small business in an industry which has been adversely affected by the foreign trade policies of the United States."

SEC. 3. The Secretary of Commerce, acting through the Office of Area Development, shall provide technical assistance and advice, upon the request of any small-business concern to which a certificate of eligibility has been issued under section 207 (c) (4) of the Small Business Act of 1953, to aid such concern to adjust, through plant conversion, relocation, or otherwise, to changed economic conditions resulting from the foreign trade policies of the United States.

SEC. 4. (a) Section 167 of the Internal Revenue Code of 1954 (relating to the deduction for depreciation) is amended by redesignating subsection (h) as (i), and by inserting after subsection (g) the following new subsection:

"(h) Small business concerns injured by United States foreign trade policy.—

"(1) Special rule: In the case of property described in paragraph (4) used in a trade or business by a small business concern which, within the meaning of paragraph (2), has been adversely affected by the foreign trade policies of the United States, the reasonable allowance under subsection (a) shall, at the election of the taxpayer, be—

"(A) an amount equal to twice the amount computed under the method of depreciation used in respect to such property for the taxable year preceding the first taxable year in which this subsection applies to such property, or

"(B) an amount computed under the method of depreciation described in subsection (b) (1) and computed, with respect to the adjusted basis of such property on the first day of the first taxable year in which this subsection applies to such property, as if (i) such property had been acquired on such first day, and (ii) such property had a useful life of 5 years.

Nothing in this subsection shall be construed to limit or reduce an allowance otherwise allowable under subsection (a).

"(2) Small business concerns adversely affected by United States foreign trade policy.—For purposes of paragraph (1), a small business concern shall be considered to be adversely affected by the foreign trade policies of the United States only if the Small Business Administration has issued a certificate of eligibility to such concern under section 207 (c) (4) of the Small Business Act of 1953 as a small business concern which meets the requirements of section 207 (c) (2) of such act.

"(3) Taxable years to which applicable: Subject to the provisions of paragraph (5), paragraph (1) shall apply with respect to any property used in a trade or business by a small business concern only for the taxable year in which the Small Business Administration issues the certificate referred to in paragraph (2) to such concern, and for the 4 taxable years succeeding such taxable year.

"(4) Property to which applicable: Paragraph (1) shall apply only to property which is—

"(A) used in its trade or business by a small business concern on the date on which the Small Business Administration issues the certificate referred to in paragraph (2) to such concern; and

"(B) used in the industry described in section 207 (c) (2) (A) of the Small Business Act of 1953 in respect of which such certificate is issued.

"(5) Election.—

"(A) When and how made.—An election to compute the allowance allowed as a deduction by subsection (a) with reference to this subsection shall be made, with respect to any property used in a trade or business by a small business concern, at the time of fil-

ing the return for the taxable year in which the Small Business Administration issues the certificate referred to in paragraph (2) to such concern. Such election shall be made in such manner as the Secretary or his delegate shall prescribe. At the time of making such election, the taxpayer shall select the method provided in subparagraph (A) or (B) of paragraph (1) to be used in computing such allowance with respect to such property.

"(B) Effect.—An election under subparagraph (A) shall be effective for the taxable year for which the return in connection with which the election is made is filed and, unless sooner terminated as provided in subparagraph (C), for the 4 taxable years succeeding such taxable year.

"(C) Revocation.—An election under subparagraph (A) may be revoked by the taxpayer at the time of filing his return for any of the 4 taxable years succeeding the taxable year for which the election was made. Such revocation shall be effective for the taxable year for which such return is filed and for succeeding taxable years. Such revocation shall be made in such manner as the Secretary or his delegate shall prescribe."

(b) Part VI of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to itemized deductions for individuals and corporations) is amended by adding at the end thereof the following new section:

"SEC. 178. Amortization of certain facilities of small businesses adversely affected by foreign trade policies.

"(a) General rule.—

"(1) Allowance of deduction: In the case of—

"(A) a corporation which is a small business concern which has been adversely affected by the foreign trade policies of the United States, or

"(B) an individual who owns a proprietary interest in an unincorporated small business concern which has been adversely affected by the foreign trade policies of the United States,

there shall be allowed, at the election of the taxpayer, a deduction with respect to the amortization of the adjusted basis (for determining gain) of any conversion facility (as defined in subsection (d)) based on a period of 60 months. The 60-month period shall begin as to any facility, at the election of the taxpayer, with the month following the month in which the facility was completed, or with the succeeding taxable year.

"(2) Amount of deduction: The amortization deduction provided in paragraph (1) shall be an amount, with respect to each month of the amortization period within the taxable year, equal to the adjusted basis of the facility at the end of such month, divided by the number of months (including the month for which the deduction is computed) remaining in the period. Such adjusted basis at the end of the month shall be computed without regard to the amortization deduction for such month. The amortization deduction above provided with respect to any month shall be in lieu of the depreciation deduction with respect to such facility for such month provided by section 167.

"(b) Election of amortization: The election of the taxpayer under subsection (a) to take the amortization deduction and to begin the 60-month period with the month following the month in which the facility was completed shall be made only by a statement to that effect in the return for the taxable year in which the facility was completed. The election of the taxpayer under subsection (a) to take the amortization deduction and to begin such period with the taxable year succeeding such year shall be made only by a statement to that effect in the return for such succeeding taxable year. Notwithstanding the preceding two

sentences, the election of the taxpayer under subsection (a) may be made, under such regulations as the Secretary or his delegate may prescribe, before the time prescribed in the applicable sentence.

"(c) Termination of amortization deduction: A taxpayer which has elected under subsection (b) to take the amortization deduction provided in subsection (a) may, at any time after making such election, discontinue the amortization deduction with respect to the remainder of the amortization period, such discontinuance to begin as of the beginning of any month specified by the taxpayer in a notice in writing filed with the Secretary or his delegate before the beginning of such month. The depreciation deduction provided under section 167 shall be allowed, beginning with the first month as to which the amortization deduction does not apply, and the taxpayer shall not be entitled to any further amortization deduction with respect to such facility.

"(d) Definitions: For purposes of this section—

"(1) Conversion facility: The term 'conversion facility' means any facility, land, building, machinery, or equipment, or any part thereof, the construction, reconstruction, erection, installation, or acquisition of which was completed after the date of the enactment of this section, and with respect to which a certificate under subsection (e) has been made. In no event shall an amortization deduction be allowed in respect of any conversion facility for any taxable year unless a certificate in respect thereof under this paragraph shall have been made before the filing of the taxpayer's return for such taxable year.

"(2) Small business concern: The term 'small business concern' means a corporation, partnership, or proprietorship engaged in carrying on a trade or business which meets the criteria of a small business concern set forth in section 203 of the Small Business Act of 1953 and the criteria established by the Small Business Administration under such section.

"(3) Small business concerns adversely affected by the foreign-trade policies of the United States: A small business concern shall be considered to be adversely affected by the foreign trade policies of the United States only if the Small Business Administration has issued a certificate of eligibility to such concern under section 207 (c) (4) of the Small Business Act of 1953 as a small business concern which meets the requirements of section 207 (c) (2) of such act.

"(e) Determination of adjusted basis of conversion facility—

"(1) General rule: For purposes of subsection (a), in determining the adjusted basis of a conversion facility there shall be included only so much of the amount of the adjusted basis of such facility (computed without regard to this section) as is properly attributable to such construction, reconstruction, erection, installation, or acquisition after the date of the enactment of this section as the Small Business Administration has certified as necessary to enable the small business concern either (A) to develop new or different lines of production, or (B) to renovate its productive facilities, and only such portion of such amount as such Administration has certified as attributable to the need of the small business concern to develop new or different lines of production, or to renovate its productive facilities, because of the foreign trade policies of the United States. Such certification shall be under such regulations as may be prescribed from time to time by the Small Business Administration. An application for a certificate must be filed at such time and in such manner as may be prescribed by such Administration under such regulations but in no event shall such certificate have any effect

unless an application therefor is filed before the expiration of 6 months after the beginning of such construction, reconstruction, erection, or installation, or the date of such acquisition.

"(2) Separate facilities; special rule: After the completion or acquisition of any conversion facility with respect to which a certificate under paragraph (1) has been made, any expenditure (attributable to such facility and to the period after such completion or acquisition) which does not represent construction, reconstruction, erection, installation, or acquisition included in such certificate, but with respect to which a separate certificate is made, shall not be applied in adjustment of the basis of such facility, but a separate basis shall be computed therefor pursuant to paragraph (1), as if it were a new and separate conversion facility.

"(f) Depreciation deduction: If the adjusted basis of the conversion facility (computed without regard to subsection (e)) exceeds the adjusted basis computed under subsection (e), the depreciation deduction provided by section 167 shall, despite the provisions of subsection (a) (2) of this section, be allowed with respect to such conversion facility as if the adjusted basis for the purpose of such deduction were an amount equal to the amount of such excess.

"(g) Life tenant and remainderman: In the case of property held by one person for life with remainder to another person, the amortization deduction provided in subsection (a) shall be computed as if the life tenant were the absolute owner of the property and shall be allowed to the life tenant.

"(h) Cross reference.—

"For special rule with respect to gain derived from the sale or exchange of property the adjusted basis of which is determined with regard to this section, see section 1238."

(c) The table of sections for such part is amended by adding at the end thereof

"Sec. 178. Amortization of certain facilities of small businesses adversely affected by foreign trade policies."

(d) Section 1238 of the Internal Revenue Code of 1954 (relating to amortization in excess of depreciation) is amended by inserting after "section 168 (relating to amortization deduction of emergency facilities)" the following: "or section 178 (relating to amortization deduction of certain facilities of small businesses adversely affected by foreign trade policies)."

(e) The amendments made by this section shall apply only to taxable years ending after the date of the enactment of this act.

AMENDMENT OF UNITED STATES CODE, RELATING TO THE MAILING OF OBSCENE MATTER TO MINORS

Mr. KEFAUVER. Mr. President, on behalf of myself and the Senator from North Dakota [Mr. LANGER], I introduce, for appropriate reference, a bill designed to strengthen and improve both the criminal and civil Federal statute relating to the interstate traffic of pornographic material.

The bill proposes to amend section 1461, title 18, United States Code Annotated, the basic criminal statute prohibiting the sending of nonmailable matter, which includes, of course, pornographic material, through the United States mail. The first section of this bill would permit prosecution by the Department of Justice for the sending of nonmailable matter through the United States mails, not only at the place where the mail is deposited, as under the existing law, but also at the place where the

mail is received. The second provision is designed to protect juveniles from receiving pornographic matter through the mail by providing that any person knowingly sending nonmailable matter to a juvenile can be punished by a \$10,000 fine and/or a 10-year prison sentence. The present law provides for a \$5,000 fine and/or a 5-year prison term.

It has been estimated that the interstate traffic in pornographic and obscene matter—a great deal of which is sent through the mails—is a \$300-million-a-year business in the United States. One west coast pornography operator alone has sent as much as 250,000 mailings of obscene matter per month to all parts of the United States. This person often made as much as \$4,000 a day in a million-dollar-a-year business. A large number of pornographic mail-order operators on the west coast have organized a trade association and retained an attorney to determine systematic ways of circumventing the postal laws. Pornography operators purchase standard mailing lists through commercial concerns, which contain the names and addresses of many juveniles.

One of the most effective weapons available to combat and defeat this racket is section 1461, title 18, United States Code Annotated, which provides for criminal prosecution against anyone depositing in the mail nonmailable material. However, this section does not permit prosecutions to be initiated at the place where the nonmailable matter is received. This was settled in *United States v. Ross and Tager* (C. C. A. Kans., 205 F. 2d, 619) in which the Circuit Court of Appeals in Kansas ruled that prosecution could only be had in California—the place where the obscene matter was deposited for mailing. This restriction has seriously impaired the ability of the Post Office Department and the Department of Justice to fight the interstate pornography racket. The greatest impact on the community is often felt at the place where the objectionable material is received. It is frequently in the community where the matter is received that the largest number of complaints are made and the greatest impetus to prosecution exists.

A heavy percentage of objectionable material is being deposited in the mails in the Los Angeles area, resulting in the funneling of a large number of prosecutions into one already overcrowded Federal jurisdiction. Many of these cases have been acted on by one judge in the southern California Federal jurisdiction, with the result that his interpretation of the law has become almost a controlling factor on a national footing in the enforcement of section 1461. The proposed change in the law simply implements section 3237 of title 18, United States Code Annotated, which provides for prosecution for material sent through the mail "in any district from, through, or into which such commerce or mail matters move."

The enactment of this amendment will immeasurably strengthen the position of the Department of Justice and the Post Office Department in dealing with the interstate pornography racket.

The strengthening of the criminal statute with respect to the sending of obscene or objectionable matter to juveniles is necessitated by the indiscriminate use of commercial mailing lists by persons in the mail-order pornography business. Potential customers' names are obtained by securing standard mailing lists from several large concerns who are in the business of selling these lists. The Senate Subcommittee to Investigate Juvenile Delinquency has received complaints from parents whose children have been recipients of this material. Some of these juveniles who have received this mail are as young as 9 or 10 years of age.

It was determined in one situation which is typical of the pattern of business in this field, that the pornography dealer secured a large mailing list which had been developed by a map company. Naturally, since many parents have maps sent to children, this list contained the names of many juveniles. The Post Office Department has estimated that out of 4,000 complaints received regarding one concern in the mail-order pornography business, 600 came from parents of the children who had received this obscene material through the mail.

Enlarging the scope of penalty to a possible \$10,000 fine and a possible 10-year prison sentence for those sending obscene matter to juveniles should act as a deterrent to those persons who are permitting pornographic material to go through the mail to juveniles. Much of the antisocial conduct of these operators probably cannot be curtailed directly through legislation, since it is the methods they use in conducting their business, combined with the end product they distribute through the mail, which constitute a threat to the community. Nonetheless, the proposed statutes, which increase the penalties when juveniles are involved, is worded in such a manner as to make criminally liable those who irresponsibly use mail order lists to distribute pornographic materials.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3667) to amend section 1461 of title 18 of the United States Code with respect to the mailing or causing the delivery by mail of obscene matter to minors, and for other purposes, introduced by Mr. KEFAUVER (for himself and Mr. LANGER), was received, read twice by its title, and referred to the Committee on the Judiciary.

REGISTRATION, REPORTING, AND DISCLOSURE OF EMPLOYEE WELFARE AND PENSION BENEFIT PLANS—AMENDMENTS

Mr. GOLDWATER submitted amendments, intended to be proposed by him, to the bill (S. 2888) to provide for registration, reporting, and disclosure of employee welfare and pension benefit plans, which were ordered to lie on the table, and to be printed.

Mr. ALLOTT submitted amendments, intended to be proposed by him, to Senate bill 2888, supra, which were ordered to lie on the table, and to be printed.

Mr. MUNDT submitted amendments, intended to be proposed by him, to Senate bill 2888, supra, which were ordered to lie on the table, and to be printed.

AMENDMENT OF INTERNAL REVENUE CODE OF 1954, TO CORRECT UNINTENDED BENEFITS AND HARDSHIPS—AMENDMENT

Mr. BENNETT. Mr. President, I submit an amendment, intended to be proposed by me, to the bill (H. R. 8381) to amend the Internal Revenue Code of 1954 to correct unintended benefits and hardships and to make technical amendments, and for other purposes. The amendment provides for an extension of time for filing claims for refunds of overpayments of income tax based upon education expenses paid or incurred in 1954.

On April 5 of this year, the Treasury published regulation TD6291 which liberalizes the deductibility of educational expenses of teachers, and presumably other individuals who have incurred certain educational expenses, from income subject to Federal income taxes.

I think Secretary Anderson of the Treasury deserves much praise for acting to remove the distinction previously drawn between self-employed persons and employees, such as teachers. The NEA, which has been instrumental in pointing out the need for such equality of treatment, estimates that between 350,000 and 400,000 teachers go to school each summer and that many more thousands attend evening and Saturday classes during the school year. They do this largely at their own expense to qualify them to better meet the needs of their students. They richly deserved the opportunity of deducting these expenses.

The new regulation is retroactive to 1954, and this provision, coupled with the 3-year statute of limitations, necessitated the filing of an amended form for that year by April 15, 1958. I am concerned by the fact that many teachers were not able to meet this deadline, either because they had not learned of the necessity for filing such a claim or because of the shortness of the period of time in which to file.

Official announcement of the liberalized regulation came in a Treasury Department news release on April 4, which gave teachers barely enough time to revise their tax returns before the April 15 deadline. I am not worried about the teachers being able to claim their deductible expenses for 1957, nor am I concerned about the claims they will be able to make for the years 1956 and 1955 because the statutory period has not run out with respect to these claims, but I am greatly concerned about the claims for refunds on 1954 income, which, because of the 3-year statute of limitations, must have been filed before midnight April 15 of this year.

I made an attempt to alert all of the teachers in my State of the necessity for filing their claim for refund prior to the cutoff date, but I have already received considerable evidence showing that they were in many cases unable to do so

within the short 10-day period between the issuance of the regulation and the final filing date for 1954 expenses.

We know these teachers are entitled to claim these expenses for 1954, and I think it only substantial justice that they be given adequate time in which to file it.

The VICE PRESIDENT. The amendment will be received, printed, and referred to the Committee on Finance.

SMALL BUSINESS CAPITAL ACT OF 1958—ADDITIONAL COSPONSOR OF BILL

Mr. ALLOTT. Mr. President, yesterday the senior Senator from Minnesota [Mr. THYE] introduced the Small Business Capital Act of 1958 to provide long-term credit and equity capital to small business concerns. I joined him in sponsoring the proposal because I recognize the credit needs of our Nation's small-business men.

The Senator from Minnesota [Mr. THYE] who is necessarily absent from the Chamber today, has asked me to bring to the attention of the Senate the wish of the senior Senator from Wisconsin [Mr. WILEY] to join in sponsoring this small-business legislation. The Senator from Wisconsin [Mr. WILEY] was to have been included among those sponsoring the bill, but due to an inadvertent error his name does not appear on the printed bill.

Mr. President, we all recognize the long interest of the Senator from Wisconsin in the welfare of small business, and it pleases me to ask unanimous consent in behalf of the Senator from Minnesota [Mr. THYE] that the name of the Senator from Wisconsin [Mr. WILEY] appear on subsequent printings of S. 3643.

The VICE PRESIDENT. Without objection, it is so ordered.

REORGANIZATION OF DEPARTMENT OF DEFENSE—ADDITIONAL COSPONSOR OF BILL

Mr. FLANDERS. Mr. President, I ask unanimous consent that my name may be listed as a cosponsor of Senate bill 3649, which is the administration bill for the reorganization of the Defense Department, introduced by the Senator from Massachusetts [Mr. SALTONSTALL] yesterday.

The VICE PRESIDENT. Without objection, it is so ordered.

SMALL-BUSINESS INVESTMENT ADMINISTRATION ACT OF 1958—ADDITIONAL COSPONSORS OF BILL

Under authority of the order of the Senate of April 21, 1958,

The names of Senators PAYNE and STENNIS were added as additional cosponsors of the bill (S. 3651) to make equity capital and long-term credit more readily available for small-business concerns, and for other purposes, introduced by Mr. JOHNSON of Texas (for himself and other Senators) on April 21, 1958.

INCREASED ANNUITIES PAYABLE TO CERTAIN ANNUITANTS FROM CIVIL SERVICE RETIREMENT AND DISABILITY FUND—CHANGE OF CONFERE

Mr. JOHNSTON of South Carolina. Mr. President, I ask unanimous consent that the junior Senator from Wisconsin [Mr. PROXMIER] be relieved from further service on the committee of conference on the bill (S. 72) to increase annuities payable to certain annuitants from the civil service retirement and disability fund, and for other purposes, and that the junior Senator from Oregon [Mr. NEUBERGER] be appointed in his place. The reason for this is that the Senator from Wisconsin has been excused from further service on the Committee on Post Office and Civil Service, and is no longer a member of that committee.

The VICE PRESIDENT. Without objection, it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. ERVIN:

Review by him, under heading "The Meaning of States Rights," of book entitled, "States Rights—The Law of the Land," published in the Winston-Salem (N. C.) Journal and Sentinel of April 20, 1958.

By Mr. JACKSON:

Address delivered by him at the 11th Annual Borah Foundation Conference in Moscow, Idaho, March 20, 1958, on the subject, The Old Quest for Peace in the New Age of Science.

A GET-WELL CARD FOR MR. HOOVER

Mr. SMITH of New Jersey. Mr. President, yesterday the New York Herald Tribune echoed the thoughts of citizens throughout the country in expressing editorially its best wishes for the speedy recovery of former President Hoover.

The weekend report on the success of his operation was good news to all of us, and it was heartening to hear that soon he will be able to return to work. It was also typical of Mr. Hoover that, following the operation, his office made known his strong support of President Eisenhower's plan for the reorganization of the Defense Department. It is apparent that not even major surgery can interrupt for more than a few days Mr. Hoover's service to the Nation.

I ask unanimous consent that the Tribune editorial of April 21, entitled "A Get-Well Card for Mr. Hoover," be printed in the body of the RECORD at this point in my remarks.

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

[From the New York Herald Tribune of April 21, 1958]

A GET-WELL CARD FOR MR. HOOVER

Americans of all political faiths and affiliations will extend to Herbert Hoover sincere wishes for a speedy and complete recovery

from his gallbladder operation. At the age of 83 the former President cheerfully and courageously underwent surgery to relieve a long-standing condition. First reports indicate that the operation was a complete success and that Mr. Hoover will soon be back at work.

This is good news indeed, for Mr. Hoover still has work to do. As all know, his services to his country have continued long after his tenure in the Presidency. The Hoover Commission reports, for example, still point the way toward streamlined, efficient governmental procedures.

In recent months, Mr. Hoover has been particularly busy, working on several new books stemming from his wide experience in government and human affairs. As a former President, as a wise counselor, as one of America's most distinguished and useful citizens, Herbert Hoover holds the respect of millions of people throughout the world. They hope he soon will be able to resume his life of activity and service.

THE IMPORTANCE OF FOREIGN AID

Mr. SMITH of New Jersey. Mr. President, the House Foreign Affairs Committee some time this week will probably report the mutual-security bill for fiscal year 1959. With Congressional consideration of this basic factor in our foreign policy drawing near, I should like to call the attention of the Senate to two articles on foreign aid which were written by Mr. C. L. Sulzberger, and were published in the New York Times of January 22 and January 25.

Mr. Sulzberger's articles describe both the policies behind the program and the means adopted to carry it out, and they are an excellent contribution to the coming debate on mutual security.

I ask unanimous consent that are articles by Mr. Sulzberger entitled "Foreign Aid: Why It Is Necessary," and "Foreign Aid: The Crux of the Problem," be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times of January 22, 1958]

FOREIGN AFFAIRS: FOREIGN AID, I—WHY IT IS NECESSARY

(By C. L. Sulzberger)

PARIS, January 21.—The fact that foreigners don't vote makes many of our legislators regard aid bills with gingerly distaste. Appropriations to build a dam in Africa or Asia have scant ballot-box appeal.

Yet, during this election year, the President is asking for such purposes over a billion dollars more than was granted by a careful Congress in its last session. Why? Many voices are being raised against the very thought of this.

George Kennan recently said such help can only sow confusion if recipients regard it as payment of some sort of debt from us or as a sign of weakness. He believes foreign aid, as a general practice, cannot be regarded as a very promising device for bolstering our diplomacy in underdeveloped lands, at least over the short range.

There can be no doubt that these arguments will be popular with some Congressmen up for reelection. But the issue is not to be posed in the words chosen by our former Ambassador to Russia. The issue is rather as described by James H. Smith, Jr., head of the International Cooperation Administration, the organization that supervises overseas spending. Smith says:

"One thing we are not trying to do and should not try to do is to buy friends with

this program. You cannot buy friends with a program of economic assistance. We are trying to strengthen the economies of this uncommitted area of the world so they can be independent of any foreign domination including even the domination of the United States itself."

RESPECT FOR NEUTRALITY

This is a worthy objective. It is consonant with our traditional policy. We consider that only a nation internally strong can be free. Such freedom does not depend upon alliance with ourselves. We respect neutrality, despite occasional confused homilies by our statesmen.

The Marshall plan had no initial military significance. Yet, when NATO developed out of it because of Soviet pugnacity, one of its principal members was neutral Turkey. Sweden and Switzerland, habitual neutrals, joined the Organization for European Economic Cooperation, which grew from the Marshall plan.

If some fledgling countries do not receive outside succor they face economic destitution. And in most of them there exists only one well-organized political minority prepared to exploit such chaos. This is the Communist Party.

Therefore, in what Eisenhower calls our enlightened self-interest, logic dictates American assistance. Otherwise two alternatives are posed. Either weak young states will turn to the Soviet bloc for aid, risking political penetration or restrictive trade commitments. Or they may founder.

There is also a philosophical argument in favor of foreign aid. A strong evangelical tradition has influenced American thinking since colonial days. This considers it a disgrace to permit unchallenged poverty. It is mirrored in Smith's plea that we help foreign countries the way you would [support] a new enterprise in your own community.

Smith says: This should not be "done with the finely sharpened pencil of a banker but done with a little extra measure of faith in the future and done with the intent to produce results far in excess of costs both for the United States and the recipient country."

A CHARITABLE OBLIGATION

In a sense, he contends, we have much the same charitable obligation to other peoples that inspires prosperous citizens to give to their own community chest.

Finally we must see that the United States, as a trading nation, depends heavily on foreign markets. The more purchasing power there is in another land, the higher its standard of living, the better competitive chance we may have to share in its commerce. Britain found this out long ago. After the Napoleonic wars London invested heavily on the ravaged Continent in order to restore its business. Ernest Bevin recalled this when sponsoring our Marshall plan.

If we refuse aid and a country turns to the Soviet bloc, we risk being squeezed out by restrictive barter agreements fixed in Moscow. And we increase the chances of war or depression if we lose our trade.

The last great conflict cost the United States \$360 billion to fight. Until 1952 the purely economic price of rehabilitation was \$29 billion. Surely it is less expensive to pay for rehabilitation first.

The reasons favoring continued and expanded foreign aid are perhaps not entirely easy to explain to the American voter. But Russia understands them. Khrushchev says, "We declare war upon the United States in the peaceful field of trade. The threat to the United States is not the ICBM, but in the field of peaceful production."

To emphasize this point Moscow is sponsoring an effective, well-conceived aid program of its own. It is directly competitive, efficiently administered, and has already registered important gains in a domain we

had come to assume was almost wholly ours. Surely it would be folly for us to abdicate before this challenge.

[From the New York Times of January 25, 1958]

FOREIGN AFFAIRS: FOREIGN AID, II—THE CRUX OF THE PROBLEM

(By C. L. Sulzberger)

PARIS, January 24.—In contemplating the rivalry between our own and Soviet aid programs to uncommitted nations we must remember one salient point. This is that, despite Moscow propaganda to the contrary, Russia is ruled not by a Communist but by a state capitalist system. The government and not the individual worker controls all wealth. This can be disposed of most efficiently in the national interest.

Since World War II we have disbursed about 10 times as much as the U. S. S. R. on foreign assistance of all kinds. Each country has spent huge sums to help its allies militarily or to unload accumulated stocks.

We ourselves confuse defense support and purely economic help. If we send rifles to a friend, we charge our taxpayers replacement value rather than actual worth. This boosts listed costs of military support. As Moscow has done in the satellites, Egypt and Syria, we have developed a considerable secondhand market for obsolescent weapons.

We also export immense amounts of surplus commodities under Public Law 480. These pile up at home because they cannot be sold at lower world prices and are therefore bought by Washington. When they are delivered abroad against smaller local currency payments we list them at artificially high values on our books.

We must be careful not to exaggerate the relative proportion of contributions or loans for defense purposes or to help unload stocks. But even in the field of altruistic assistance for underdeveloped lands we find we must spend much more than Moscow. There are several reasons why this is necessary for free enterprise as opposed to state capitalism.

WARY OF SOCIALISM

We are openly wary of helping regimes we regard as socialistic. Our Government doesn't like to undercut our own businessmen. Congress stipulated that the new development fund shall not compete overseas with private investment capital.

Our banking system pays more to borrow money at home than does Russia's. Therefore, the Treasury insists on higher interest rates for loans abroad, in order not to lose. Likewise, when we need experts to administer foreign programs we must await termination of their private contracts. There is no method of conscription for civilian work.

The luxury of freedom requires an expensive approach to foreign aid. The Russians can offer tentative loans they do not necessarily intend to fulfill. If they wish to propagandize a country and suggest help, they wait to see if we will propose a rival program. If we don't, they move in. If we do, they abstain. Thus they can operate with a smaller revolving fund.

They probe our interests economically as they used to do militarily. They have suggested a \$25 million credit to our ally Iceland. They are shopping around in Africa in hopes of developing a sympathetic bloc.

As an autocracy, the Soviet Union has a huge pool of trained technicians. A job in Kiev or a job in New Delhi is equally a state job. No draft is needed. Foreign loans do not have to be treated in terms of financial profit. As a matter of fact, even at low interest charges such loans lose no money.

INTEREST ON LOANS

We exact from 3 to 4 percent in dollar repayments and from 4 to 6 percent in local currency repayments. Moscow charges from 2 to 2½ percent because its own internal

borrowing pays on this scale. This makes things easy for Pervukhin, Russia's foreign-aid boss.

As we try to make loan conditions more favorable, the U. S. S. R. does the same. Its Indian loans no longer start repayment from date of equipment delivery. The borrower now is not charged until an enterprise built from such equipment actually starts to produce.

State capitalism permits high-handed flexibility. All this discourages Americans who feel we spend too much for too little political return, George Kennan says: "Moscow is not exactly the bottomless horn of plenty. . . . It is a pity it has never been required to respond all at once to the many expectations directed to it. We ourselves should be the last, one would think, to wish to spare it this test."

The trouble is we can neither abandon the field nor give up our workable but costly free enterprise society. We cannot allow Russia a free hand in economic penetration. We have seen what it means in Egypt and Syria. We have moral obligations to succor poorer peoples. We have mercantile and strategic interests. We cannot permit Soviet efficiency to oust us from a field in which we long predominated.

Congress must ponder this problem. Naturally no democratic, free-enterprise system can compete in every way on equal terms with autocratic state capitalism. Therefore, in the national interest, we should agree, when needed, to relax Federal banking standards and lend money at a loss. And we should make available to the administration a flexible contingency fund to use for emergency purposes not now foreseeable. We cannot plan ahead against a 5-year-plan autocracy merely with annual appropriations.

ACTION OF AMBASSADOR HENRY CABOT LODGE BEFORE UNITED NATIONS SECURITY COUNCIL

Mr. SALTONSTALL. Mr. President, I wish to comment briefly on a notable victory achieved by one of our former colleagues, Ambassador Henry Cabot Lodge, before the United Nations Security Council. It might better be termed a rather striking defeat for yet another of the Russian propaganda attempts.

The Soviet Government obviously felt that it could embarrass the United States by accusing the United States Government before the U. N. of what the Russians termed "provocative flights" by SAC bombers into the Arctic Circle allegedly aimed at the Soviet Union.

After these many years of cold war struggle with the Soviets, we are used to their trumped up charges and their spectacular propaganda sorties. But it is indeed gratifying when one of these attempts backfire and when it is due in no small measure to the able handling of the American Ambassador to the United Nations, Henry Cabot Lodge, formerly my colleague from Massachusetts.

So soundly did Ambassador Lodge refute the charges of the Soviets that they withdrew their resolution calling for the censure of the Strategic Air Command. They did so after several unsuccessful attempts to postpone a vote on the issue, which would have had the effect of prolonging possible propaganda advantages. Ambassador Lodge in turn challenged the Russians to accept the open skies inspection proposed by President Eisenhower. So soundly were the Russians

beaten that they unleashed a vindictive verbal attack against Ambassador Lodge personally.

Ambassador Lodge has over the years very ably represented the United States before both the Security Council and the General Assembly of the U. N. He has worked diligently in the interests of the United States and in the interests of world peace. It is indeed gratifying that his able handling of United States interests before the U. N. has thwarted another obvious Russian propaganda move. It is characteristic of the manner in which Mr. Lodge has conducted our affairs before the U. N. over the last 5 years.

Mr. SMITH of New Jersey. Mr. President, will the Senator yield for a comment?

Mr. SALTONSTALL. I yield to the Senator from New Jersey.

Mr. SMITH of New Jersey. I am very glad to add a word to what the Senator from Massachusetts has said about the wonderful accomplishment of Ambassador Lodge in this particular matter. I noticed the comments in the newspapers about it. As usual, Ambassador Lodge has done fine work in meeting the Russian challenge head on.

Mr. SALTONSTALL. I am glad to have the Senator from New Jersey say that, because I believe it sincerely.

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

Mr. SALTONSTALL. I am glad to yield to the Senator from Montana.

Mr. MANSFIELD. I join the Senator in his commendation of the action of Ambassador Lodge at the United Nations. I think he did an excellent job, in a dignified, precise, and well-thought-out manner. I would express the hope that what the Strategic Air Command has been doing for many years in the past will be continued into the future for as long as it is necessary. In my opinion, the Strategic Air Command is, in fact and in effect, the keeper of the peace at the present time, and what it is doing is in the interest of the security of this Nation and of the Free World. I agree with what the Ambassador had to say and am in full accord with his great performance at the United Nations.

Mr. SALTONSTALL. I thank the Senator from Montana. I agree entirely with what he has said about the SAC bombers.

POSSIBLE SUSPENSION OF NUCLEAR TESTING

Mr. SYMINGTON. Mr. President, at this time no question of policy would seem more misunderstood by the American people than the question of nuclear testing.

As a member of the Senate Subcommittee on Disarmament, I believe it is in the interest of the security of the United States that the schedule of nuclear tests planned by this country for this spring be carried out.

In my opinion, the world-wide fall-out which will result from these planned tests will not affect either the present, or the future health of the world population.

This is an area in which the scientists do not yet have all the scientific data. But based on the data available, I do not believe that the results of all nuclear tests carried out to date will have any appreciable effect on the present or future health of mankind.

But an all-out nuclear war would certainly be damaging to the health of people all over the world.

Therefore I believe it essential that, at earliest opportunity, the free world reach agreement with the Soviet Union, with Red China, and with all other countries, provided this agreement carries with it a foolproof system of inspection.

The first step to this end might well be such a world agreement for nuclear test suspension as of a certain date.

In the past, the United States has refused to proceed with the Soviet proposal that a test suspension be negotiated, and has stipulated that any test suspension agreement must also include an agreement to cease producing fissionable material for weapons purpose.

In my opinion, this position, as taken by our Government, was a grave mistake.

Cessation of production would really mean little, unless stockpiles could also be checked; and because it is recognized that the latter would be extremely difficult, if not impossible, I believe that our demand to have a suspension of testing depend upon a cessation of production could be construed by the Soviet Union as a decision on our part not to enter into any preliminary disarmament agreement.

I recommend, therefore, that as soon as the scheduled United States tests are completed this year, every effort be made to reach a nuclear test suspension agreement, always provided the terms of the agreement safeguard our national security.

Ultimately this whole matter might well be handled by the United Nations.

In summary, I do not believe that nuclear testing to date has damaged the human race, through such materials as strontium 90 and cesium 137.

But unless the great powers proceed immediately to do everything possible to achieve a first step toward world peace through disarmament, history demonstrates that a continuation of an armaments race can only lead to war—and if such a war becomes a nuclear war, mankind might be destroyed.

As a member of this Disarmament Subcommittee, I pay tribute to the subcommittee's able and hard-working chairman, the junior Senator from Minnesota.

The people of this Nation, and the people of the world, owe Senator HUMPHREY a deep debt of gratitude for the work he has done in this disarmament field.

THE UNITED STATES AND WORLD TRADE

Mr. HOBLITZELL. Mr. President, I ask unanimous consent that an address by Francis E. Simmons, manager of the Washington office of the American Viscose Corp., to the Front Royal Rotary

Club, on our foreign trade policy, be printed in the RECORD.

The PRESIDING OFFICER (Mr. MOR-TON in the chair). Is there objection to the request of the Senator from West Virginia?

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

UNITED STATES AND WORLD TRADE: AMERICAN POLICY AT THE CROSSROADS

(Address by Francis E. Simmons, manager, Washington office, American Viscose Corp., to Front Royal Rotary Club, April 18, 1958)

In addressing this particular subject at this time, I am reminded of an appropriate Scripture: "In the day of prosperity be joyful, but in the day of adversity consider." (Eccl. 7: 14). The circumstances of our economy today make this timely counsel.

These are adverse days, as we are all too well aware. We owe it to ourselves to take time to consider seriously just where we as a Nation stand on the matter of foreign trade policy, to review the road over which we have traveled, and to contemplate what is the best path to follow as we move ahead. I am grateful to the Front Royal Rotary Club for this opportunity to consider this matter with you.

Few major issues have broader scope than our foreign trade policy, and yet manage to influence every level of our economy. Public attention focuses naturally on developments in Washington, but the impact carries right through to Front Royal.

Unfortunately, the clear dimensions of the issue itself have been blurred by some who imply that failure to give the administration additional tariff-cutting powers for 5 more years might throw countless Americans out of work and drive our allies into the arms of communism. I hope, in these few minutes with you today, to help restore this national issue to sensible, realistic proportions.

I want to establish with you beyond question that a refusal by Congress to grant the President further tariff-cutting powers would in no way change the present tariff rate structure and, therefore, would not affect the volume of foreign trade that has been built up or jeopardize any of the jobs that depend on it. I will be obliged to tell you more later as to the jeopardy to other American jobs from imports that have been dumped into the American market at unfair prices.

Since the passage of the Trade Agreements Act in 1934, American tariffs have been pared to the point where the United States stands as one of the lowest tariff countries in the world. Under existing rates, foreign exporters have found no difficulty in constantly increasing their volume of trade with this country, frequently to the distress of certain less adequately protected industries such as textiles, on which American Viscose Corp. is dependent for a substantial part of its market.

TRADE PROGRAM OUTMODED

I hope today to enlist your interest for I am convinced that in the long run, only the active support of informed citizens—in Front Royal and every other American community—will pave the way to a sound, equitable solution to the foreign trade problem.

The administration's program for a 5-year extension of the Trade Agreements Act, with further tariff-cutting authority, seems willfully dedicated to the interest of the internationalists without due regard for the effect on American industry. How can American Viscose Corp. or any other American industry that is vulnerable to low-wage import competition afford to consider the fu-

ture with any assurance while the Federal Government clings stubbornly to a program of the past?

No matter what new window dressing is installed or how many new coats of paint are applied, or the gadgets like peril point and escape clause that have been tacked on for vote appeal, the fact remains that the foreign trade vehicle we are asked to ride is still the model of 1934.

There is no need to remind you of the tremendous changes that have occurred in our national economy and international outlook in the past quarter century. Many completely new industries have come into being since the basic Tariff Act of 1930.

At that time the production of rayon staple, which now has become a major part of our industry and of AVC's Front Royal output, was nothing more than a fond hope. As a result, the tariff protection which was accorded the infant rayon yarn industry was not extended proportionately to staple, which has suffered progressively under the antiquated 1934 Trade Agreements Act and further tariff cuts.

IMPACT OF IMPORT COMPETITION

As a result, 85 million to 170 million pounds of rayon staple (1955-57 range) are delivered annually to American textile mills at prices American manufacturers cannot match and remain in business. Imports last year exceeded the combined output of the American Viscose plants here at Front Royal and at Parkersburg, W. Va. Most of this foreign-made staple was sold here at lower prices than it brought in its own home market, a clear case of the unfair trade practice of "dumping."

This, of course, is only one example of import market invasion. I could cite numerous other instances, such as the loss of 52 percent of the domestic market for hardwood plywood, 60 percent of the domestic market for watches and clocks, and nearly 70 percent of the domestic market for velveteen fabrics.

The plight of the velveteen industry strikes close to home. As recently as 1952, the Crompton-Shenandoah Co. in Waynesboro employed 150 operators in its velveteen-cutting division. By the summer of 1957, after imports had overrun the market, this division was down to 17 workers. Any slight subsequent improvement is completely dependent on the forbearance of Japan.

FAIR COMPETITION UNDER FREE ENTERPRISE

Let me make it clear that we have no quarrel with competition. Healthy, give-and-take competition is part and parcel of the American economy. It has furnished the spark for economic growth and vitality.

But there are two kinds of competition. One involves a match under mutually advantageous ground rules. This is the kind of competition under which America has flourished. The other kind is the predatory variety of competition which we decided long since to prohibit in the United States.

Domestic market practices are regulated by the Robinson-Patman Act to prevent price discrimination; the Fair Labor Standards Act to control hours of work and hourly earnings; antimonopoly laws; and numerous other equalizers in the interest of healthy competition.

Similarly, the tariff structure was intended originally by Congress to equalize conditions of competition, particularly labor costs, between American producers and their foreign competitors. We ask no quarter on technology and manufacturing efficiency, but sweatshop labor outlawed in this country is no more palatable when it originates abroad.

American business is compelled to be regrettably individualistic under the antimonopoly laws, whereas the combinations, agreements, and restrictive practices of foreign cartels or other groups are well known. We

know from experience how difficult it is to enter their markets and how free they are to invade ours.

ANTIDUMPING ACT INEFFECTIVE

I want to emphasize especially the comparison between the Robinson-Patman Act, which abhors price discrimination by domestic sellers, and the Antidumping Act, which seeks to prevent foreign producers from selling to our market at less than they sell in their own market or elsewhere. This type of predatory pricing, known as dumping, is frowned upon generally among the free nations and by the General Agreement on Tariffs and Trade (GATT). Congress attempted to outlaw it in the Antidumping Act of 1921, but unrealistic definitions and resultant court decisions have defeated the purposes of the act.

Let's look at the record. Since January 1, 1934, the Government has handled 198 cases of alleged antidumping violation, with finding for domestic industry in only 8 cases. Speaking of longshots, American manufacturers, seeking to invoke the Antidumping Act, confront odds of 25 to 1.

The American rayon staple industry finds itself among the 190 applicants who tried, and lost. It took its complaint to the Treasury Department in 1954. The Customs Bureau found prima facie evidence of dumping. The Department of Commerce determined that the domestic industry was being injured.

Under the terms of the Antidumping Act of 1921, we expected relief in the form of an antidumping duty, which would simply have brought the price charged by foreign producers to the American market up to the price charged at home. We were denied that relief because foreign producers resorted to a subterfuge that evaded the act. That is why the industry is so concerned for enactment of H. R. 6006 by the present Congress to revise the Antidumping Act. This has been passed by the House of Representatives and is currently pending in the Senate Finance Committee, headed by your esteemed neighbor, Senator BYRR.

As far as the foreign producer is concerned, the windfall profits made possible by a slipshod Antidumping Act are simply icing on the cake, since he already enjoys the advantages of our low-tariff policy and Washington's strong resistance to measures which might draw frowns from foreign governments.

FREE TRADE ATTRACTIVE THEORY, POOR PRACTICE

The avowed goal of the free-trade campaign makes good propaganda for the uninitiated—it sounds so ideal. A world free of tariffs and quotas and other encumbrances to the flow of goods between nations, as told by the Americans for Democratic Action and others, is an inspiring thing to contemplate.

Then another American textile mill or tableware factory is snowed under by imports, and we recognize once more the painful disparity between free-trade idealism and the economic facts of life as they apply to foreign trade in this day and age. Suppose we take a few moments to examine some of these facts.

WHAT THE TRAFFIC WILL BEAR

A favorite argument of the freetraders is the alleged advantage to the consumer from lower prices. That idea is as vain as the freedom and democracy of communism. Experience is all to the contrary. Let me demonstrate that fallacy.

When the domestic industry has been subject to price controls, as during the World War II emergency, competitive imported products have sold at the highest prices the market would support. In 1946, postwar demand for rayon staple encouraged heavy imports. While domestic staple sold at an

OPA price ceiling of 25 cents a pound, imported staple was selling at around 40 cents a pound.

In 1947, when domestic prices rose to an average of 32 cents, foreign staple sold here at about 45 cents. Given a market and ineffective competition from American sources, foreign suppliers charge exactly as much as the traffic will bear with none of the altruistic concern for consumers claimed for them by freetraders.

WAGE DIFFERENTIALS—UNITED STATES AND FOREIGN

Another point at which the free-trade theory bogs down is on wage standards. We commonly regard high wages as an economic asset, placing unmatched purchasing power in the hands of America's consumers and sustaining our high levels of production. In competing with foreign labor, however, the American worker with the world's highest earnings is at a decided disadvantage. That disadvantage carries over to the industries paying those wages.

In our industry, for example, the average hourly wage is about \$2. Our chief competitors in West Germany pay their workers less than 50 cents an hour; in Japan, about 20 cents. The American woolen worker averages about \$1.60 per hour. His British competitor is paid 50 cents. The Bureau of Labor Statistics comparisons for other industries and countries show the same wide disparity.

PRODUCTIVITY COMPARISONS NARROWING

When this differential in wage costs is mentioned, the freetrader argues: "Yes, you pay high wages, but you also outproduce foreign workers." We could wish this to be an effective offset, but it is increasingly inapplicable. American industry's productivity generally is unexcelled, but in certain lines of manufacturing, including rayon, foreign producers equal and sometimes excel American output. In any event, it would be small comfort to an unemployed American to learn that it takes two foreign workers each drawing 50 cents an hour to produce what he could make at \$2 per hour in the same space of time. That foreign labor still would cost only half as much as American labor.

Moreover, the gap between productivity here and abroad is closing much faster than the wage gap. The Organization for European Economic Cooperation, representing 17 nations of Western Europe, reports that from 1950 to 1955 industrial production rose 38 percent, while American output per man-hour was increasing only 12 percent. Gains in certain European countries in that period outdistanced our own growth as much as 3 to 1; Italy's, for example, climbing 44 percent, and West Germany's 35 percent.

For the rayon industry, productivity here and in the major foreign producing countries is much the same. The great majority of the vast Japanese capacity, which rivals that of the United States, has been built since World War II with the most modern of machinery and equipment. The same applies to Germany and many of the other European producers. The real point of price competition, therefore, is not on cost of raw materials or efficiency of management but specifically labor costs.

FOREIGN AID DOUBLE-BARRELED THREAT

There is, of course, no good reason why foreign industries should not be developing rapidly. Many of these industries have been subsidized by American foreign aid. Our postwar outlays for foreign aid are approaching \$70 billion, and a healthy share of this has been fed into foreign factories and equipment, even to raw materials for producing rayon.

Members of Congress are interested increasingly in diverting more ICA-administered foreign-aid dollars to domestic industry, by purchasing more from our own pro-

ducers. Spokesmen for both the northern and southern textile industry have been especially vocal.

If the experience of American Viscose Corp. is any guide, the influences of the entire textile industry and its Congressmen will be taxed to wrest any relief from the administration even though Congress has made adequate provisions. Section 510 of the Mutual Security Act provides that "funds * * * may be used for the procurement of commodities outside the United States unless the President determines that such procurement will result in adverse effects upon the economy of the United States, with special reference to any areas of labor surplus * * * which outweigh the economic advantages to the United States of less costly procurement abroad."

The plight of the textile industry and the resultant surplus of labor have been evident for many months, but foreign aid funds supported by our heavy taxes continue to be spent for the benefit of foreign textile industries. Of nearly \$100 million paid for fabricated textiles in fiscal year 1957, 93 percent went to offshore or foreign textiles. Nearly 90 percent of the \$10 million spent for textile machinery went to offshore suppliers.

In 1956, the International Cooperation Administration, which administers our foreign-aid program, announced invitations for more than \$10 million worth of rayon staple and related products, chiefly for South Korea. As our industry at that time was depressed by cutbacks in auto production, textile output, and housing construction, the ICA business appeared most inviting. We soon found it was an empty hope.

We learned that South Korea planned to spend the funds it received from ICA, your tax dollars and mine, to buy Japanese and Italian rayon. Additional millions of dollars were expended for rayon again in 1957 and other lucrative invitations on rayon are pending currently, but it is safe to say that they will not accrue to the benefit of our American industry.

ICA blandly disclaims responsibility for these so-called commercial transactions, since it purports to deal directly with foreign governments which may then place their orders where they choose. This contrasts sharply with the prevailing attitude of other nations, such as France and Great Britain, which decided long ago that foreign aid, like charity, begins at home and that foreign aid funds should be spent originally for their own products.

FOREIGN AID WINS FEW FRIENDS

Despite our open-handed generosity, we can never be sure that our sacrifices will stand us in good stead in a showdown with Russia. A newspaper poll (New York Herald Tribune) of 11 nations, all but one recipients of United States aid, showed that nine of the 11 favored a neutral course if our country goes to war with the Soviets.

Public opinion favoring neutralism ranged from 94 percent in Sweden to 54 percent in Great Britain. In between were Austria, Norway, Belgium, Italy, France, West Germany, and Brazil. Only Australia and the Netherlands indicated a majority willingness to join the fight. The United States has suffered particularly embarrassing disillusionment from its pay-as-you-go goodwill overtures to Nationalist China, Egypt and Saudi Arabia.

WHITHER TRADE AGREEMENTS?

While, on the one hand, we are learning from costly experience that our aid dollars have bought far less than we expected, we are told that we can gird up the solidarity and strength of the free world by extending the Trade Agreements Act of 1934 for the 11th time, and for 5 more years.

This is the proposal which many American industries are bitterly protesting. Most of

the controversy centers on the power of the President to reduce our tariffs and enter into trade agreements. Our Constitution, the charter of our democratic self-government, specifically states that Congress shall regulate the Nation's foreign commerce and that treaties with other nations are subject to ratification by two-thirds of the Senate. Administration of the Trade Agreements Act sidesteps both of these mandates.

FOREIGN TRADE EMPLOYMENT

Perhaps the strongest, yet most misleading, argument now making the rounds on behalf of the Trade Agreements Act is that 4½ million American jobs depend on granting the President authority to reduce our tariffs still further. They claim that only a handful, perhaps 100,000, could lose their jobs if all tariffs were removed. With millions already out of work, this would be a potent argument if true, but it is sheer nonsense.

For one thing, we know that imports furnish payment for only two-thirds of our exports. The other third is financed by dollars collected abroad through foreign aid, tourist and GI spending, private investment, and other transactions. Accordingly, one-third of export-dependent jobs is independent of the tariff issue.

Furthermore, we know that one-half of our imports enter tariff-free. These are commodities like coffee, tea, spices, crude rubber, tin, and other materials and products which we need but cannot make or grow for ourselves—and which have no part in the tariff issue. Of the remaining 50 percent of our total imports, about one-half carry only nominal or token duties, thus having little bearing on the tariff question.

Bolled down, this analysis shows, quickly and convincingly, that the sensitive area of our foreign trade represents only 16 jobs out of every 100 claimed as export-dependent. And even these 16 jobs would be affected only if a steep tariff wall were to be raised, a step which no one is proposing.

TENUOUS TIE WITH PEACE

Perhaps the next most popular claim in support of continued tariff reduction is that unless we take the initiative in abolishing trade barriers, we are likely to lose the cold war by default. We've been shrinking tariffs right and left ever since World War II, so that cynics might question why we've been on the short end of most cold war encounters anyway. Has some occult transformation taken place, that we will now be able to obtain with the same mechanism the things that have eluded us in the past? In spite of repeated American protests, our allies are more and more embracing Iron Curtain markets. This trade has almost doubled in the last 6 years and new negotiations are now under way.

The record of totalitarian slave-states should convince us that no amount of tariff tinkering will discourage the Communists from buying what they want, whenever and wherever they can find it. As long as political motivation is their interest, Soviet hucksters will buy with little regard for price, sell with less regard for cost, and swap with no regard for gain other than subversion and infiltration.

Americans would do well to ask themselves: If 24 years of continual tariff cutting, and more than 10 years of costly foreign aid, have failed to thwart the Communist challenge, how can we succeed with the same tactics for 5 more years?

Obviously that course cannot expect to succeed. We can only hope to keep foreign governments and foreign industries smiling in our general direction. If we are willing to settle for that vanity, we must be prepared to see more and more foreign products crowding their way into the American market, and more and more domestic industries and workers struggling

for survival. This experience of the past will harry our future unless we improve the system forthwith.

FLEXIBLE TARIFFS RECOMMENDED

Wouldn't it make more sense to adopt a selective tariff formula to balance the interest of vulnerable domestic producers with the wishes of foreign manufacturers? Isn't it sensible to build up, rather than undercut, our domestic mobilization base in perilous times, while continuing our efforts to strengthen the Free World through truly beneficial two-way trade?

This, in short, is the issue as it awaits the decision of Congress: Whether to re-embrace the 24-year-old Trade Agreements Act under a new paint job, or to adopt a new and mutually satisfying program. That is a decision in which we all have a stake, and should, therefore, make our views known to our elected representatives in Congress.

The critical determination on trade agreements is about to be made in the powerful House Ways and Means Committee where your distinguished Representative BUREAU P. HARRISON is an influential member. Subsequent to House action it will proceed to Senator Byrd's Finance Committee.

To conclude our discussion, as we began, with a penetrating quotation from the Scriptures, Christ admonished his contemporaries: "Ye can discern the face of the sky; but can ye not discern the signs of the times?" (Matt. 16: 3). That, I think, sums up the problem and the course we must take in solving it. Congress today, in adversity, must consider carefully, discern the signs of the times, the changes of the past quarter century and their persuasion for a new United States foreign trade platform.

TENTH ANNIVERSARY OF THE INDEPENDENCE OF ISRAEL

Mr. MARTIN of Pennsylvania. Mr. President, the 10th anniversary of the independence of Israel is being celebrated in every part of the world where free men adhere to the ideals of peace, freedom and justice.

No nation in all world history has ever equaled the progress achieved by the State of Israel in so brief a period of national independence.

In 10 years the heroic struggle and sacrifice of her courageous people have built a stronghold of freedom and advancing civilization in the Holy Land.

The magnificent gains they have made in economic and cultural development have won the respect and admiration of all the Free World. We can look with complete confidence to even greater achievement in the future.

We can be proud that Americans of every faith have aided in this inspiring advance in world progress. We can be proud to recall that the United States Government recognized the brave new nation on the day it was established.

Mr. President, I am happy to join in tribute to the Republic of Israel and to send them renewed assurance of American friendship.

It is my sincere hope that this historic anniversary may bring nearer to fulfillment the aspirations of the people of Israel for stability, security and peace.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

SPENDING PROGRAMS AND DEFICITS

Mr. MARTIN of Pennsylvania. Mr. President, I ask unanimous consent that I may proceed for not to exceed 15 minutes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Pennsylvania? The Chair hears none, and the Senator may proceed.

Mr. MARTIN of Pennsylvania. Mr. President, I am greatly disturbed by the rapidly expanding programs for the expenditure of public funds and their ultimate effects upon our economy.

The prospects for budget deficits grow directly as expenditure proposals are enacted into law. The inflation of consumer prices continues, month after month, as it has continued for more than 2 years. The end is not yet in sight.

At a recent meeting of the Finance Committee, the senior Senator from Virginia [Mr. BYRD] and others expressed opinions that the deficit for 1959 might reach \$7 or \$8 billion or more if the present spending trend continues. If a tax cut were enacted the deficit might reach \$12 to \$15 billion. In all probability many of the spending programs will continue, and may even be accelerated, after 1959, thereby creating deficits for succeeding years as well.

If so, we are headed for serious trouble in the management of our enormous public debt, as well as laying the groundwork for prolonged inflation.

Deficits and inflation are the inevitable results of unwise public and private economic policies. Unless and until we eliminate their causes, our military and economic security will be adversely affected.

I recognize that the launching of the Russian sputnik and the degree of economic recession which has occurred since November have materially changed our defense and economic outlook. Defense activities have been greatly accelerated, and the budgets for 1958 and 1959 indicate our national will to provide adequate strength. Our military position must be invincible.

But it is equally true that our economic strength must in every way be protected and improved to support our military defenses. I am concerned lest we underestimate the importance of our economic responsibilities for the long pull while we rush from consideration and passage of one spending program after another.

Much of the spending seems to be based on some kind of trickle-down theory that we have heard criticized so much in the past. It is argued that if we spend enough, cars will be rolling again off the assembly lines of Michigan. What if people do not respond in

just this manner and prefer their present cars to higher-priced, fancy models of 1958? What do we do then? Perhaps we might build up a stockpile and later offer them to foreign countries as surplus products at half price, taking payment in counterpart funds.

I have seen no time table or schedule which in any way relates these increased expenditures to the number of jobs to be created, when these will become available, or where they will be located in reference to the areas of heaviest unemployment. And will the newly created jobs fit the trades and skills of those unemployed? I am fearful that when these spending programs are proved again, as they were in the 1930's, to be a poor solution to unemployment, greater doses of spending will then be demanded.

As a people, we cannot afford the luxury of easy and painless temporary solutions by draining the public purse. These only postpone, enlarge, and intensify the problems we would presently escape.

It is as true now as before sputnik that our greatest internal danger is continued inflation and the destruction of our currency.

During the past 4 months, unemployment has increased from 3,200,000 to 5,200,000. However, the number for March was only slightly higher than for February. If consideration is given to the extremely severe winter and the concentration of unemployment in the heavy and durable goods industries, the remainder of the employment picture appears reasonably good.

I have no desire to minimize the seriousness of unemployment wherever it occurs. It seems to me, however, that no recession has been more publicized nor has any brought forth more programs to cure it. With much of the latter I have serious doubts as to their effectiveness and also their long run results. Will the benefits derived be dearly paid for later by further inflation?

I have heard very little in recent months to the effect that rising prices in the inflationary boom of the past several years had anything to do with our present recession and unemployment. I believe they are very closely related.

From February 1956 to January 1958 the Consumer Price Index has edged upward month by month from 114.6 to 122.3. This means that the consumer's dollar declined in value from 51.8 cents to 48.5 cents, based on the 1939 dollar value. That was a devaluation of 6.3 percent in less than 2 years. There is no indication that this trend has stopped as yet, although the current recession has been with us for more than 5 months.

The price rises reflected a revival of economic activity which began in the latter part of 1954 and assumed boom proportions from 1955 until the fall of 1957. During this period new highs were recorded time after time in employment, gross national product, total personal income, wage income, investment and construction. At the same

time we experienced a tremendous increase in debt, both public and private. Gross debt, in all categories, increased from \$600 billion to \$800 billion over a 4-year period, the highest rate of increase in any peacetime period. This growth in debt undoubtedly was a major factor in promoting boom and inflationary pressures. It was in excess of savings out of current income and to that extent was equivalent to so much printing press money injected into the economy. It served to support the rising cost of wages, materials, and other costs and to clear the markets of goods and services at their higher prices.

For many months the Federal Reserve authorities sought to dampen the rate of credit expansion in an effort to check the boom and halt the inflation. Within the working limits of monetary policy the Federal Reserve exercised a degree of restraint on the rate of credit growth, which caused interest rates to rise. In due course, the boom spent itself, as they always have in the past, with a slowing down in investment, production, and employment.

Excessive growth in debt, that is, spending future income for today's plants, public works, consumer goods, welfare and other programs, can be carried too far, and I believe it was.

It can happen again.

Besides my concern for sound economic policies on the part of government, I am greatly disturbed by the continued rise of wage costs in American industry and their inflationary effect on prices. Everyone knows of the great advances that have been made to produce more goods with less human effort and the substantial increases in the standard of living that have resulted. However, the growth in productivity has been more than offset by increased costs of production, primarily labor costs, so that instead of lower or stable prices, we have had steadily rising prices. Based on Bureau of Labor Statistics, unit labor costs for all manufacturing industry increased by 27.7 percent from 1947 to 1956. During the same period average hourly earnings increased 60 percent. In other words, increased productivity offset only about half of the increased labor costs, during this period. The remainder had to be made up by higher prices and lower rates of profits—and only higher prices could absorb the bulk of the increases.

Actually the Consumer Price Index covering all consumer goods and services did increase 21.7 percent between 1947 and 1956.

Now I wish to refer to figures covering the past 2 years. According to the President's Economic Report, the index of output per man-hour in manufacturing increased only 1.1 percent in the 2-year period 1955 to 1957. On the other hand, average hourly earnings—excluding overtime—increased from \$1.82 to \$2.01 or 10 percent. Certainly, such a wide difference between productivity and wage increases must produce inflationary prices. That the wage-push factor has been and continues to be the major contributor to inflation cannot be disputed by any available evidence.

However, it is often charged that excessive profits taken by business is the cause of price increases. A simple review of the growth of wage payments and trend of corporate profits easily disposes of that contention. The total of corporate profits after taxes increased from \$18.2 billion in 1947 to \$20.6 billion in 1957, and averaged \$18.8 billion for that period. In contrast, total compensation of employees increased from \$128.8 billion in 1947 to \$254.3 billion in 1957. In the meantime, the consumer price index rose over 25.7 percent.

Which is likely to have created rising prices in the foregoing comparison: the \$2.4 billion increase in profits or the \$125.5 billion increase in compensation of employees?

Studies of productivity, wages, profits and prices in some of the larger, tightly unionized industries, for example, the Steel Industry, reveal even more conclusively and strikingly the wage-push influence upon the price level. The evidence is so unmistakably clear that its continuation can only mean further inflation, resulting in stagnation and ultimate destruction of the private enterprise, profit economy as we have known it.

In conclusion, I believe our present dilemma results from everyone demanding and getting more dollar income than the economy can produce at stable costs and prices. This has been fostered by a volume of total debt greater than the volume of real savings. The excessive debt, of course, has been made possible by an adequate supply of credit even though this was held in considerable restraint by the Federal Reserve Board.

Continuation of the wage-price spiral, extension of excessive debt, and repetition of easy credit to support them, can lead only to further inflation, with its ultimate dislocations in economic activity, resulting in unemployment.

A WORLDWIDE EXCHANGE OF RADIO PROGRAMS

Mr. HUMPHREY. Mr. President, a worldwide exchange of radio programs between American radio stations and the broadcasting systems of Europe, the Far East, and other areas has recently been made possible by a grant of \$200,000 from the Ford Foundation to the Broadcasting Foundation of America. For the first time on such a scale, according to BFA, the music, drama, and other expressive utterances of many of the world's people will be brought to America and our corresponding productions sent to them.

The grant will permit BFA to establish a center in New York for the duplication on tape of programs from abroad and for their distribution to American radio stations. It will also aid BFA to lay the basis for the production and sending abroad of radio programs expressing American creative life.

This exchange of the creative productions of many cultures will be a kind of international conversation, free of politics and propaganda. It will provide an aid to the ear of America, a great widening of the range of things heard

and appreciated that originate in unfamiliar lands. In turn, it will bring to audiences overseas the best in American music and writing and thought, reflecting the tradition and culture of the American people.

Listening to these programs can give pleasure and knowledge to us and to millions overseas and can bring us into closer understanding with our friends and potential friends throughout the world.

BFA has already made arrangements with the broadcasting systems of 30 nations to prepare programs in English on the music, literature, and art of their countries for American audiences. These countries include: Australia, Austria, Belgium, Canada, China, Denmark, England, Finland, France, Germany, Greece, Haiti, India, Israel, Italy, Japan, Korea, the Netherlands, New Zealand, Nigeria, Norway, Poland, Portugal, South Africa, Spain, Sweden, Switzerland, Turkey, Vietnam, and Yugoslavia.

Seventy-seven radio stations in the country's largest cities are cooperating with BFA and will put these programs on the air as a public service. These stations serve metropolitan areas covering approximately 39 percent of the United States population in 55 cities and 28 States. Most of these stations are independent commercial stations, 10 are those of the Westinghouse Broadcasting Co., and 5 are leading noncommercial stations.

BFA expects to begin distribution here of foreign radio programs in the immediate future.

BFA was formed in 1955 and is a non-profit, tax-exempt, educational organization. Its board of trustees includes: Mrs. A. Scott Bullitt, owner of station KING and KING-TV, Seattle; Norman Davis, Seattle businessman and former chairman of the board of the Seattle Museum of Fine Arts; Frank N. Freeman, emeritus chairman, department of education, University of California, Berkeley; Henry Morgenthau III, TV projects manager, station WGBH, Boston; Richard Pack, vice president in charge of programs, Westinghouse Broadcasting Corp., New York; George E. Probst, former director of the University of Chicago Roundtable, presently executive director of the Thomas Alva Edison Foundation, Inc., New York; Robert Redfield, professor of anthropology, University of Chicago; George N. Shuster, president of Hunter College, New York; Seymour N. Siegel, director of the Municipal Broadcasting System and WNYC of the city of New York, chairman of the International Advisory Broadcasting Council, and past president of the National Association of Educational Broadcasters; Calvin W. Stillman, economist and professor of social science, University of Chicago; Howard Thurman, dean of the Chapel, Boston University; and Myron Wilson, New York attorney. The acting executive director is Mrs. Chloe Fox.

In addition to the Ford Foundation grant, BFA has received support from the Rockefeller Foundation, the Creole Foundation, the Peter J. Schweitzer

Foundation, and from private contributors.

Under a grant from the Rockefeller Foundation in 1957, BFA completed a study of cultural radio program resources in 29 countries of Europe, the Far East, and other places. It also investigated the interest of American radio stations in scheduling cultural programs from other countries.

Under a grant received from the Creole Foundation in 1957, BFA is now pioneering a study of the possible use of television and radio in education in Venezuela. Beginning May 1, a series of test telecasts into schools in Caracas will be held for a period of 6 weeks. It is expected that the findings and practical demonstrations in which this study will result may show how not only Venezuela but also other comparable countries might improve their educational systems by using television and radio.

ADDRESS DELIVERED BY FORMER PRESIDENT TRUMAN AT THE CAMPAIGN CONFERENCE FOR DEMOCRATIC WOMEN

Mr. HUMPHREY. Mr. President, last evening, the former President of the United States, Mr. Harry S. Truman, addressed a dinner of the 1958 Campaign Conference for Democratic Women, held at the Sheraton Park Hotel in Washington, D. C.

With his characteristic candor and frankness, the former President discussed the monetary, fiscal, and credit policies of the present administration.

I ask unanimous consent that this very provocative, thoughtful, and stimulating address, which challenges the thinking of every American, be printed at this point in the RECORD.

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

SPEECH BY FORMER PRESIDENT OF THE UNITED STATES HARRY S. TRUMAN AT A DINNER OF THE 1958 CAMPAIGN CONFERENCE FOR DEMOCRATIC WOMEN ON MONDAY EVENING, APRIL 21, 1958, AT THE SHERATON PARK HOTEL IN WASHINGTON, D. C.

This conference of yours is a most stimulating affair. Katie tells me that the attendance has exceeded her greatest expectations. There is a tremendous amount of political power in this gathering here tonight, and after this meeting that power and enthusiasm will be distributed all over the country, where it will do the most good in the elections this fall. And make no mistake about it, we are going to win in the elections this fall—we are going to increase the Democratic majorities in the House and the Senate to a point that will be the highest in the last 20 years. But this is all the more reason for working harder than ever before. There will be a lot of districts and Senate seats this year that are normally Republican which will come over to us, if we just apply that last ounce of effort—if we organize the Democrats to get out and vote, and if we get our message across to the other people. That's your job, and I know you are going to do it.

There is a great responsibility awaiting the Democratic Party this fall, as well as a great victory. We will have the responsibility not only of being the opposition party, but also of shaping the policies of the Gov-

ernment. We must formulate policies that will halt the recession and put us back on the road to full prosperity, and restore our shrinking power and influence in foreign affairs. In this time of grave responsibility we are fortunate in our leaders in the House and Senate. You all know SAM RAYBURN, and the good he has done for the country in all his years of service. And now we have his younger colleague, LYNDON JOHNSON, as the leader of the Senate, and I do not believe there has ever been a more able and distinguished Senate leader. He has been guiding the Senate in a way that has never been excelled, and I am proud of him, as I am sure all good Democrats are proud of him.

I have made up my mind to discuss tonight a subject I have been wanting to talk about for a long time. I hope it won't bore you, even if it is a subject that sounds rather dull. I have decided that you ought to be interested in it—that all women ought to be interested in it—because it has to do with money. Women, I am told, have charge of spending the family's money. Some of them even have charge of saving it. That is true in my home. I am the spender, but Mrs. Truman is the one who does the saving. In any case, the women of the country probably have more to say about how the Nation's money is used than the men do—and there are some things about the management of the public money—the handling of the national debt, and the setting of interest rates—that you ought to understand, for they affect every single family in the land.

The Republican administration has been mismanaging the national debt. More than that, this Republican administration has been misusing its power over the money supply of the American people.

The consequences have been most serious. Many of our recent economic troubles have their roots in the way the Republican administration has been mismanaging our money. The serious economic recession that we have today has been caused, in part, by this misuse. To get out of this recession—to restore prosperity for all the people—we must put a stop to these mistaken policies.

The battle between Republicans and Democrats, regarding the use of the people's money, is not new. It goes back to the fight which Andrew Jackson successfully waged against the Whigs—the ancestors of the Republican Party. Old Hickory took the money power away from old man Biddle and the United States Bank and restored it to the Government in Washington, representing the people, where it belonged.

But Andrew Jackson did not win a permanent victory. The great private financial institutions have never given up in their efforts to take the control of Government finances away from the people and to capture, by that means, control of the Government itself. They succeeded in the 1920's. The great depression resulted. Then Franklin Roosevelt came along and returned the financial capital of the United States from Wall Street to Washington. The money changers tried to regain control during my administration. They did not succeed. The framers of the Constitution decided that the power to tax should be in the House of Representatives, and by custom all money bills originate in the House, the legislative branch closest to the people.

In 1953, the great financial interests had still another chance. And they have made hay while the Republican sun was shining. Never before in our history has the Government done more to help these big interests to help themselves to the savings of the people who have no political or financial representation in Washington.

On January 20, 1953, I turned over to the new Republican administration a financial and economic house that was in order.

Prosperity was at new peaks, and it was being shared more generously than ever before. Prices were stable, although the economy was expanding rapidly. Unemployment was at minimum levels. Farmers and small-business men were participating fairly in the fruits of our general prosperity. Credit was plentiful enough to meet the needs of the people, and interest rates were reasonably low.

But the new Republican administration called all of this prosperity a mess, and they proceeded to make a real mess of it. Within a few short months, they produced an economic recession. After the 1953-54 recession, they produced a lopsided boom, and never restored full prosperity for all the people. And then, in 1957, this investment boom collapsed, and we have been in an economic recession ever since. In fact, under this Republican administration, for 5½ years, we have been in an economic recession for about half the time.

The famous high-interest money policy is the basic cause of the Republican failure to bring us continuing prosperity. This policy of high interest rates is also called the "tight money" policy. "Tight money" does not mean that the Government is being economical or frugal in spending its own money. It means that the Government is making it harder for its citizens to borrow money at the banks. There is nothing mysterious about the tight money policy. It is simply a way of using the mighty powers of public agencies to redistribute the national income in the wrong direction. It waters the economic tree at the top, and starves it at the roots.

Let us look at the behavior of the Treasury Department under the Republican administration. During the past few years, the Treasury has deliberately jacked up interest on the Government's financing and refinancing all along the line. But this is not all. Generally speaking, it has jacked up interest rates most on the types of obligations bought or held by great financial institutions or wealthy individuals, and raised interest rates least on the obligations bought or held by average American families—for example, certain types of savings bonds. Moreover, the Treasury has juggled around its short-term and long-term issues, and its types of issues, so as to rob the ordinary citizen to pay off political obligations to the gigantic financiers.

It is very revealing to look at the excuses which the Treasury has given for this kind of misuse of the people's money.

First of all, at the Senate Finance Committee hearings last year, the Treasury officials said they had practically nothing to do with the rising interest rates on their own financing. They said that the interest rates were determined by whatever rates the buyer of bonds wanted in a free market. The former Secretary of the Treasury, Mr. George Humphrey, said that the Treasury had no more to do with interest rates than the owner of a small grocery store had to do with the price of bread.

This is absolute nonsense, and Mr. Humphrey knew better. During the previous Democratic administration, we kept interest rates low even during wartime, when the Government had to borrow many times as much as during any later period. We did not let the big banks and insurance companies set the financial policy of the United States Government. It is truly a shocking thing, when a Secretary of the Treasury says that the great Government of the United States has no more power to protect the public interest than the owner of a corner grocery store.

Then, the same high Government officials had the nerve to tell us that it makes no difference how much Federal interest rates go up, because the interest is paid to the whole American people. This is not true. The increased interest payments go to the

big lenders, and not to the little fellow. I wonder how much of these bloated interest payments have gone to the American farmers who have been forced off their farms, or whose outstanding debts have become bigger and bigger relative to their brutally deflated incomes. I wonder how much of these bloated interest payments have accrued to the rising numbers of the unemployed, or to the millions of American families, borrowing more than they are saving, in order to make ends meet in the face of constantly rising prices. Not much, I can assure you.

This Republican claim that rising interest rates benefit everybody just is not true. In fact, rising interest rates definitely injure the little fellow. They benefit the man or the business with huge liquid reserves—by increasing his income from interest. But they raise the cost of everything the average consumer buys on time, from real estate to washing machines. In just a minute, I will explain how this works.

The first thing, however, to point out is that these increased interest payments are an entirely unnecessary burden on the Federal budget. And they constitute a big burden, too—one that we all have to help pay for. Here are some of the facts:

In January 1958, compared with the same month in 1952, the interest rates on the entire public debt were almost 23 percent higher. The interest rates on 3- to 5-year issues were 30 percent higher. And the interest rates on 9- to 12-month issues, which are bought mostly by big investors, were more than 41 percent higher.

Now, what have these tremendous increases in interest rates added to the Federal budget? During the 4 years, 1953-57, these increased interest rates have cost more than \$2 billion. By February 1958, the annual rate of interest payment on the national debt was more than \$1.2 billion higher than it would have been if the 1952 level of interest rates had been preserved.

But all of this is only the beginning. Our national debt is being constantly refinanced. If all of it is eventually placed on the basis of the most recent interest rates, the increase in cost to the Federal budget and to all American taxpayers would be close to \$4 billion per year.

Now, let us get some perspective on what a \$4 billion increase in annual interest costs in the Federal budget really would mean. This huge figure is more than twice the amount contained in the President's fiscal 1959 budget for public assistance to those in need. It is more than 2½ times the total amount provided in this budget for the development of our national resources. It is more than 9 times the amount provided for the improvement of housing. It is more than the total amount provided for agriculture and agricultural resources. It is about 4 times the amount provided for health and education combined. It is almost 3 times the total cost of general administration of the whole Government. It is enough to cover the difference between our dangerously inadequate national security program and what that program ought to be. It is about 4 times the amount proposed in the President's new budget for overseas economic and technical development.

Yet the same Republican administration, which says that we cannot afford adequate national security or essential domestic programs, tells us that we need to pay out these interest bonanzas to a privileged few.

All of this, however, is only a small part of the awful effects of this tight money-high interest rate policy. Higher interest rates on Federal borrowings have forced up all types of interest rates—the interest rates paid by the farmer, the small-business man, the veteran, the homeowner, and every family who buys on time an automobile or a TV set, a lawnmower, or a piece of furniture. By the end of 1957, bank rates on short-term

business loans were almost 39 percent higher than in 1952. By January 1958, the interest rates paid on State and local bonds were almost 43 percent higher than in 1952. This has injured the building of schools and practically every type of vital domestic improvement financed with State or local public funds.

Today the people of the United States are paying out in public and private interest charges about \$4 billion more per year than if interest rates had been held at the 1952 levels. For about 50 million families, this comes to an average of about \$80 per family per year. If all outstanding public and private indebtedness were to be refinanced at the current Republican interest rates, the American people would eventually be saddled with about \$15 billion per year in additional interest burdens, compared with 1952. This would amount to an average of about \$300 per year per family. Shylock was a gentleman compared to our Republican interest-happy Government.

With this interest-payment extravaganza, is it any wonder that, during the years 1953-57, interest income for individuals grew almost twice as fast as labor income, and more than twice as fast as the total personal income of the American people? And during these 4 years, while interest income for individuals grew at an average annual rate of 6 percent, total farm income from all sources declined at an average annual rate of 2.5 percent. All of these figures are in real terms, allowing for price changes. What better example could there be to prove how fast our national income is being redistributed from those who have not to those who have?

The worst of it is that the tight-money travesty is only one illustration of Republican policies. Their tax policies, their budgetary policies, their outrageous farm policies, and almost all of their other policies, have put the squeeze on the people for the benefit of the privileged few. They have directed so much of the national income into the hands of big investors, at the expense of average consumers, that our people have become unable to buy the products of our expanded factories and improved machines. This is why so many plants are now idle, and why so many people are now unemployed. This is why we have been in a state of economic recession about half the time since early 1953.

On April 17, the president of United States Steel, the biggest business in the country, with the possible exceptions of Standard Oil and General Motors, came to that big suburb on the west side of my hometown and stated that big business should pay no graduated income tax and that receivers of dividends should pay no tax on those dividends. I wonder how come he hasn't succeeded in getting that done? He had a Republican Congress and a Republican President for 2 whole years at least. Yet the pricing policy of United States Steel has contributed more to this inflated price situation than that of any other organization. I know something about their methods. I was fighting them for fair wages and finally succeeded in obtaining a 15-cent wage increase which, according to their own figures, would add about \$2.50 to \$3.50 per ton across the board to the price of steel. But when price controls came off, they raised the price from \$14 to \$25 a ton, and that is what they have continued to do. Who's taxing who in that maneuver? And who's getting the benefit? Price inflation and the present depression are the results of just such capers as this and the manipulation of the Government's finances. It is all in the same pattern. Fantastic, I say.

The economic recession of today did not descend upon us suddenly, nor did it come by accident. The tight-money policy, de-

signed to make money cost too much, and to deny adequate credit to the ordinary producer and consumer, has represented the Republican failure to understand full prosperity for all. It has reflected the Republican hostility to maximum employment, production, and purchasing power, the great goals of the Employment Act of 1946. It has reflected the Republican fear of an adequate rate of economic expansion, their traditional belief in what they call healthy readjustments, and their attachment to a considerable volume of unemployment.

This is not just what I am saying. It is what the Republican high command itself has been saying. Just a year ago, when the recession was already apparent, this high command said that the inflation was due to "excessive prosperity." And so they continued their efforts to squeeze and contract our economy, instead of helping it to expand. Just a few days ago, the new Secretary of the Treasury said that a real program of economic revival would be dangerous, because it would cause our economy to expand too much. He said that he wanted only a very gentle rate of economic growth.

Well, a gentle rate of growth is all we have had under the Republicans since 1953, and right now it is turning into a very ungentle rate of decline.

For more than 5 years now, these Republican economic policies have been squeezing the farmer. They resulted in a recession that is squeezing the worker out of his job. Their high prices have been squeezing the average family everywhere. Their misguided ideas about economy have been squeezing our national defense and our most vital domestic programs.

The American people cannot and will not continue to be squeezed by Republican tight money and rising prices; Republican recession at home; and Republican retreat in world affairs.

We know our true needs, and we know our power to meet these needs. Our economy is the greatest the world has ever known. Our people have the highest skills. Our free institutions provide incentives and rewards for limitless progress.

We still have a lead over the totalitarians. But we cannot afford to see this lead narrowed day by day. We have done great deeds before, and we shall do them again. We must do them in time to save ourselves, to prosper, and to advance. Our economic health is the source of the strength that we need.

Our people have been patient and tolerant. But they cannot be squeezed much longer. Through their power to select those who govern, they will regain some of their freedom this fall, and complete the job in 1960.

UNEMPLOYMENT

Mr. HUMPHREY. Mr. President, there is no issue at this time demanding more immediate attention than the mounting rolls of the unemployed. As of mid-March unemployment stood at 5.2 million, and unemployment insurance claims since then indicate that the jobless figure is increasing.

In the Washington Post of April 17 there appears an article giving a breakdown by State and occupation of the Nation's jobless. It shows that in Maine and Michigan 14 percent of the workers are unemployed, followed by West Virginia, Kentucky and Montana with 13 percent. In my own State of Minnesota as of March 29, there were 56,689 insured unemployed, or 8.6 percent.

This article reports that in the auto industry 14.5 percent are jobless, com-

pared to 3.1 percent a year ago. For railroads there is 13 percent unemployment, as compared to 2.5 percent last year. In steel jobless totals amount to 13.2 percent, compared to 2.6 percent a year ago. In the construction industry 20 percent are unemployed, as compared to 12.5 percent.

As I have said before, Mr. President, prompt consideration must be given to improving and extending unemployment insurance compensation benefits, which are far from adequate at the present time. I urge passage of S. 3244, the Kennedy-McCarthy bill, of which I am proud to be a sponsor, which would provide 39 weeks of benefits at 50 percent of the unemployed worker's weekly wage.

I ask unanimous consent that this article from the Washington Post be inserted at this point in the RECORD.

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

DISTRICT OF COLUMBIA IDLE LOW IN UNITED STATES—EIGHT STATES BEAR LOAD

The District of Columbia, where Government is the biggest business, is the area least affected by unemployment in this country, it is shown in a survey to determine which States and industries are hurting most from joblessness.

The answers to the questions were pinpointed from Government job data for March. District of Columbia idle in the week ended March 29 totaled 9,796 in insured employment, or 2.1 percent of that work force.

A study of Commerce and Labor Department job reports shows this:

Three out of five of the Nation's 5,200,000 workers made idle by the recession are in just eight States—New York, Pennsylvania, Massachusetts, New Jersey, Ohio, Illinois, Michigan, and California.

Hardest hit are Maine and Michigan, each with about 14 percent unemployed, followed by West Virginia, Kentucky, and Montana, each with about 13 percent.

NEW YORK LEADS IN IDLE

New York, Pennsylvania, and California, in that order, have the greatest numbers of workers without jobs, but lesser percentages of their work forces idled than some other States such as Michigan and Maine.

Most severely hit of all industries is construction. One out of five construction workers was idle in March, a situation apparently improving somewhat in April with better weather conditions.

The unemployed include 1 out of every 7 workers in transportation equipment manufacturing, which means mainly the auto factories; and 1 out of every 8 workers in the railroad, steel, and mining industries.

Out of every 100 unemployed workers, 36 came out of the factories, 16 out of wholesale or retail trade, 15 from construction, 13 out of service industries, 12 off the railroads and other forms of transportation, communications and public utilities; 5 from the farms, 2 from public administration, and 1 from mining.

AUTO INDUSTRY 14.5 PERCENT

The auto industry had a 14.5 percent unemployment toll in March, as compared with 3.1 percent a year earlier. For construction it was 20 percent this year, as compared with 12.5 percent last year.

For railroads it was 13 percent unemployment this year and 2.5 percent last year. For steel it was 13.2 percent as compared with 2.6 percent.

The Government's latest data confirm findings of an Associated Press survey made in

early February—that the bulk of the unemployment can be traced on the map along the east coast from Maine to the Carolinas, along the under side of the Great Lakes over to Michigan, jumping then to the States along the Pacific Coast. This also is the most populous area of the country.

Data on State-by-State unemployment come from the Labor Department's Employment Security Bureau, based on what has happened to workers covered for unemployment insurance.

These figures don't cover farm, domestic, and self-employed workers exempt from unemployment insurance coverage, and for that reason percentages of unemployment indicated may be somewhat overstated for some farm States. But they are the best available.

STATE BREAKDOWNS

State breakdowns—for the week ended March 29, the insured unemployment and rate of idleness among insured workers was as follows:

Alabama 45,617 idle, 8 percent; Arizona 13,179, 6.6 percent; Arkansas 23,376, 10 percent; California 319,845, 8.5 percent; Colorado 15,746, 4.8.

Connecticut 59,765, 7.7; Delaware 6,852, 5.2; District of Columbia 9,796, 2.1; Florida 33,149, 4.2; Georgia 46,812, 6.3.

Idaho 8,280, 7.5; Illinois 176,957, 6.3; Indiana 86,543, 7.6; Iowa 19,158, 4.4; Kansas 20,558, 5.5.

Kentucky 61,070, 12.7; Louisiana 28,198, 4.9; Maine 29,150, 14; Maryland 46,402, 6.3; Massachusetts 121,194, 7.7.

Michigan 271,273, 13.8; Minnesota 56,689, 8.6; Mississippi 24,724, 9.5; Missouri 63,747, 6.4; Montana 15,749, 12.7.

Nebraska 11,728, 5.2; Nevada 6,568, 9.3; New Hampshire 13,881, 9.5; New Jersey 149,416, 9.5; New Mexico 7,652, 4.9.

New York 377,659, 7.4; North Carolina 67,423, 7.8; North Dakota 7,218, 10.6; Ohio 212,453, 8; Oklahoma 26,916, 6.6.

Oregon 35,508, 9.5; Pennsylvania 342,294, 10.5; Rhode Island 27,028, 10.6; South Carolina 22,583, 5.4; South Dakota 3,976, 5.3.

Tennessee 64,043, 9.6; Texas 75,936, 4.2; Utah 11,492, 6; Vermont 6,530, 8.7; Virginia 32,514, 4.5.

Washington 56,667, 8.8; West Virginia 48,758, 12.8; Wisconsin 54,848, 6.4; Wyoming 4,585, 7.1.

THE ECONOMIC SITUATION

Mr. HUMPHREY. Mr. President, for many weeks I have been making it a practice to insert in the CONGRESSIONAL RECORD pertinent articles and statistics on the state of our country's economic health. It is my contention that in order for us to deal intelligently with the recession we must face the facts and not close our eyes to what is happening. The economic indicators in recent months have not been pleasant reading, but this is no reason why they should be ignored.

I regret to say that the latest economic reports are no more encouraging than those of the past several weeks and months.

Industrial production, for example, is reported to have fallen further in March, to bring the total decline since August to 11.7 percent. The gross national product which in the fourth quarter of 1957 dropped at an annual rate of \$7.4 billion, declined even more in the first quarter of this year by \$8.6 billion.

I ask unanimous consent that an article from the April 20 New York Times

entitled "Still Receding," which notes that the recession is already the deepest since World War II, be inserted at this point in the RECORD.

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

STILL RECEDING

Two key economic indicators last week confirmed what many economists and other observers had suspected: this recession has become the deepest since the war.

One indicator was a report on industrial production for March. Based on the 1947-49 average at 100, it showed the month's output was 128, compared with 145 of last August when the downturn began. This was a decline of 11.7 percent. In neither of the two other postwar recessions did this indicator drop more than 10.5 percent from peak to trough.

The other indicator was a report on the gross national product for the first quarter of the year. This is the dollar value of all goods and services. It stood at an annual rate of \$424 billion, a drop of \$8.6 billion from the \$432.6 billion rate in the last quarter of 1957. This compared with the peak rate of \$440 billion reached in the third quarter of 1957.

This recession also has provoked much more action and talk about action to check it than either of the previous two. This is the record of action actually taken so far.

Credit: Federal Reserve Board last week further reduced discount rate—rate at which member banks borrow from Federal Reserve—this time to 1½ percent. It also reduced required amount of reserve funds member banks must keep on hand. Both reductions have effect of encouraging the banks to lend money to businessmen and spur enterprise.

Defense spending: \$5.5 billion more in defense contracts scheduled for first half of 1958 than in last half of 1957. Impact unlikely to be felt until late in the year—projects take time to get started.

Housing: Democratic-sponsored \$1.8 billion antirecession housing bill enacted. Expected to produce 200,000 new units and 500,000 jobs this year. As further spur, President canceled 2 percent downpayment needed for Veterans' Administration mortgages.

Highways: Democratic bill signed by President last week authorizes \$1.8 billion increase in Federal spending for road construction this year, raises 1958 outlay for overall Federal-State program to \$5.5 billion.

MEASURES PENDING

Final decisions are still pending on these other antirecession measures.

Public works: Democratic \$1.7 billion rivers and harbors bill—this year's pork barrel legislation—bounced back from White House last week. In vetoing measure, Mr. Eisenhower rejected arguments that it would counter recession. The projects, he said, would take too long. The Democratic leadership in Congress has not decided whether to try to override the veto.

Unemployment insurance: On Friday House Ways and Means Committee approved Democratic measure to provide 16 weeks' additional unemployment compensation for those who have exhausted their State benefits. Bill would also extend the program to 1.8 million workers not now covered by system. Program would be financed wholly by Federal Government. President had recommended 50-percent extension in duration of benefits, to be financed by Federal loans which States would repay.

Community works projects: Billion-dollar program of Federal loans to communities for

construction of streets, schools, libraries, water systems, etc., approved last week by Senate, 60 to 26, and sent to House. Administration has vigorously opposed measure.

Out of all this emerges a pattern of stronger demand for action among Democrats than in the administration. The Democratic attitude was demonstrated last night by Senate Majority Leader JOHNSON, who said, "Personally, I don't intend to sit [the recession] out." The Republican view was expressed by Secretary of Commerce Weeks, who spoke of the ballyhoo of manufactured gloom.

As to future action, the leading topic has been the question of tax cuts. President Eisenhower has remained firmly against them—for the moment, anyway. Last week he showed no intent to budge. At his news conference on Wednesday he said he had made himself "crystal clear" on the subject, and that "when I can be convinced that this tax cut will be for the benefit of the United States, why then it will be taken up."

A major factor in the President's opposition to tax cuts now is the administration's concern over the long-range danger of inflation. Tax cuts would add to a heavy Federal deficit, and the economic effect of deficits is inflationary. Some economists say this is precisely what is needed. Others say inflation could be more dangerous than the recession.

ANDERSON'S VIEWS

Robert B. Anderson, addressing an American Society of Newspaper Editors meeting in Washington, emphasized the administration's concern over the deficit outlook. He said the Government would be \$3 billion in the red when the present fiscal year ends June 30. This compares with the President's estimate of \$400 million in January, before the recession was fully felt. The Secretary also remained firm against tax cuts. The prospect was for a \$4 billion decline in receipts at present rates, which with increased spending could mean an \$8 billion deficit by the end of fiscal 1959.

Among those who came out in favor of tax cuts last week was former President Truman. As a witness before the House Banking and Currency Committee on Monday, he urged—among other things—a \$5 billion tax reduction for middle- and low-income families. He said:

"It is nonsense to argue * * * that we dare not take the steps necessary because to do so would be inflationary."

Support for a tax cut also is contained in a special report to be made public this week by the Rockefeller Brothers Fund—an organization created by the five sons of John D. Rockefeller, Jr., to channel their contributions to humanitarian, charitable and civic affairs. It is understood that the report's discussion of the overall size of such a tax cut hovers around \$5 billion.

In Congress the Democrats have been cautious on the matter. They apparently feel that as the majority party in Congress they would bear the onus if tax cuts not only failed to stimulate the economy but put the Government deeper in the red.

Mr. HUMPHREY. Mr. President, I also ask unanimous consent that the New York Times Economic Indicators for the week ended April 19, and the latest New York Times Business Index for the week ended April 12, be inserted at this point in the RECORD. I call special attention to the fact that the New York Times Business Index dropped another 3 points, from 180 to 177, in the latest week reported.

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

*Economic Indicators, week ended Apr. 19, 1958*¹

| | Last week | Prior week | 1957 |
|--|--------------|--------------|--------------|
| Commodity index (percent)..... | 84.7 | 84.5 | 89.1 |
| Money in circulation (in thousands)..... | \$30,733,000 | \$30,744,000 | \$30,681,000 |
| Commercial, industrial, agricultural loans (in thousands)..... | \$30,668,000 | \$30,842,000 | \$31,376,000 |
| Steel operating rate (percent)..... | 47.5 | 48.5 | 90.4 |
| Steel production (tons)..... | 1,283,000 | 1,308,000 | 2,313,000 |
| Motor-vehicle production..... | 91,412 | 101,759 | 141,693 |
| Daily oil production (barrels)..... | 6,186,885 | 6,250,135 | 7,442,065 |
| Freight car loadings..... | 521,035 | 516,225 | ----- |
| Electric power output, (kilowatt-hours) (in thousands)..... | 11,307,000 | 11,325,000 | 11,695,000 |
| Business failures..... | 342 | 352 | 308 |

¹ Statistics for commercial, industrial, agricultural loans, steel, oil, electric power and business failures are for the preceding week and latest available.

² Estimated.

Monthly comparisons

| | March ¹ | Prior month | 1957 |
|--|-----------------------|---------------|---------------|
| Industrial production..... | 128 | 130 | 145 |
| Employed..... | 62,311,000 | 61,988,000 | 63,865,000 |
| Unemployed..... | 5,198,000 | 5,173,000 | 2,882,000 |
| | February ¹ | Prior month | 1957 |
| Consumer Price Index..... | 122.5 | 122.3 | 118.7 |
| Personal income (in thousands)..... | \$341,800,000 | \$343,600,000 | \$336,000,000 |
| Exports (in thousands)..... | \$1,344,900 | \$1,510,900 | \$1,611,000 |
| Construction contracts (in thousands)..... | \$1,953,422 | \$2,066,059 | \$2,161,009 |
| Manufacturers' inventories (in thousands)..... | \$52,500,000 | \$52,900,000 | \$52,900,000 |
| Money supply (in thousands)..... | \$132,900,000 | \$132,100,000 | \$134,500,000 |
| | January | Prior month | 1957 |
| Imports (in thousands)..... | \$1,095,300 | \$1,216,000 | \$1,058,000 |

¹ Figure shown are subject to revision by source.

Commodity index and Consumer Price Index, based on 1947-49=100, are compiled by the Bureau of Labor Statistics. Industrial production is Federal Reserve Board's adjusted index of 1947-49=100. Manufacturers' inventories and personal income, at annual rate, are reported by the Department of Commerce. Construction contracts are reported by the F. W. Dodge Corp. Imports and exports are compiled by the Foreign Trade Division of the Department of Commerce. Money supply is total currency outside banks and demand deposits adjusted as reported by Federal Reserve Board. Business failures compiled by Dun & Bradstreet, Inc.

BUSINESS INDEX TAKES SHARP DROP

The New York Times Index of Business Activity in the week ended April 12, fell to 177 from 180 in the preceding week. The figure for the week ended April 13, 1957, was 205.8.

The table below gives the combined index with its components, each of which is adjusted for long-term trends.

| | Weeks ended— | | |
|--------------------------------|---------------|--------------|---------------|
| | Apr. 12, 1958 | Apr. 5, 1958 | Apr. 13, 1957 |
| Combined index..... | 177.0 | 180.0 | 205.8 |
| Miscellaneous carloadings..... | 92.6 | 93.8 | 115.7 |
| Other carloadings..... | 61.9 | 61.9 | 82.6 |
| Steel production..... | 96.1 | 96.3 | 171.5 |
| Electric power production..... | 269.9 | 271.0 | 295.2 |
| Paperboard production..... | 252.9 | 277.2 | 279.9 |
| Lumber production..... | 98.0 | 96.9 | 109.3 |

Mr. HUMPHREY. Mr. President, I also note in the Washington Post of April 16, 1958, an article entitled "First Quarter Loss Foreseen by Chrysler." The article states:

Chrysler Corp. expects its first quarter operation this year to show a loss.

On the same page of that issue of the Washington Post appears an article entitled "GE Profits Drop 23 Percent in Quarter."

The article states:

Earnings of General Electric Co. dropped 23 percent in the first quarter of 1958 on an 8-percent decline in sales.

The results were in sharp contrast with those of the full year 1957, when the giant electrical firm raised earnings 16 percent and sales 6 percent.

Mr. President, in the column entitled "The Week in Finance," in Sunday's New York Times, it is reported that steel production this past week fell to a new 9-year low of only 47.5 percent of capacity, as compared to 90 percent of capacity a year ago. It is also noted that car production continues to slide and layoffs to rise. I ask unanimous consent that this column be inserted at this point in the RECORD.

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

[From the New York Times of April 20, 1958]

MARKET DEFIES THE RECESSION NEWS AND DRIVES UPWARD, LED BY RAILS

(By John G. Forrest)

Despite another rash of unpleasant economic news last week, the stock market did pretty well.

In fact, it scored the widest gains of the month on Monday and Tuesday. There was some profit taking on Wednesday. By Thursday, however, a strong rally in the rails pushed the whole list up.

A Senate subcommittee completed early this month 10 weeks of hearings on the railroads' precarious condition. Senator GEORGE A. SMATHERS, Democrat, of Florida, chairman of the subcommittee, had indicated early Thursday that he would make his report public sometime on Friday. Later, however, his office announced a statement would be made this week.

On Friday the market rose strongly following the Federal Reserve's action in reduc-

ing the discount rate and member bank reserve requirements still further.

OUTPUT OFF 11.7 PERCENT

The bad news was dramatized by the latest figures on industrial production. As measured by the Federal Reserve Board the index fell 2 points to 128 in March (1947-49 equals 100). This represented a decline of 11.7 percent since last August, the sharpest such slide since World War II. It was tangible evidence that this is now the worst of the three postwar recessions.

Certainly Detroit was well aware of the deteriorating economic situation. Automobile production was cut back again and layoffs mounted. New car sales for Chrysler Corp. were down 45 percent for the first quarter, while those of the General Motors Corp. fell 18 percent and Ford Motor Co. 36 percent.

Chrysler confirmed that the company operated in the red in the first 3 months, compared with record earnings last year. L. L. Colbert, president, said bluntly: "There is nothing in the general economic picture that indicates a sharp rise in demand for cars and trucks in the months ahead."

STEEL AT 47.5 PERCENT

The news from Pittsburgh was equally discouraging. Steel production last week fell to a 9-year low for a nonstrike period. Operations were estimated at 47.5 percent of capacity. Nonetheless, there was no indication whatever that any steel producer was seriously considering trimming the base price of steel. Prices of virtually every other important metal have been reduced.

Home building starts in March, it was reported, fell to an annual rate of 880,000—the lowest since 1949. Congressional measures to stimulate housing have yet to take any notable effect, and there are some who doubt that they will. The new housing law that went into effect early this month increased interest rates on veterans' loans from 4½ to 4¾ percent and also provided \$300 million for direct loans.

Meanwhile, the administration was faced with the twin problems of curing the recession and avoiding inflation. President Eisenhower signed a \$1,800,000,000 highway bill, although with serious misgivings. He vetoed a \$1,700,000,000 rivers and harbors measure.

The President still was reluctant to take a decisive step on tax reduction. He indicated that it might be several months before a decision was made one way or another.

TRUMAN ASKS CUT

Not so reluctant was former President Truman. He advocated before the House Banking Committee a \$5 billion tax cut at once. Marriner S. Eccles, former Chairman of the Federal Reserve Board, went further. He advocated a \$6 billion to \$7 billion tax slash, and warned that the recession was becoming increasingly severe.

Many business leaders, however, expressed strong confidence in the long-range outlook. And some expressed the view that the recession might be bottoming out now. That was the opinion of Frederick R. Kappel, president of the American Telephone & Telegraph Co. He said he was hopeful that A. T. & T. would earn as much this year as in 1957, but he added:

"It depends on how the Government and everybody turns to in handling business so that we do not get in any rash of inflation."

Not all the news was gloom and doom. At least one labor negotiation came off successfully. Significantly in the light of key contract talks now going on in several industries, the United Steel Workers and the Pittsburgh Metallurgical Co. reached an agreement forgoing a pay increase for a year.

Mr. HUMPHREY. Mr. President, in conclusion, I call attention to an article from the April 20 New York Times headed "Soviet Advances in Steel Output." This article reports that in March the Soviet Union produced more than 80 percent as much steel as did the United States, despite the fact that we have over twice the steel-producing capacity of the Soviet Union. It is also reported that industrial production in the Soviet Union in the first quarter of 1958 increased 11 percent over the same period of last year, while in the United States industrial production declined by more than 10 percent in the first quarter of this year as compared to the same period of 1957.

I ask unanimous consent, Mr. President, that this article be inserted at this point in the RECORD.

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

[From the New York Times of April 20, 1958]

SOVIET ADVANCES IN STEEL OUTPUT—MOSCOW REPORTS 5,100,000 TONS IN MARCH, 80 PERCENT OF UNITED STATES PRODUCTION THEN

The Soviet Union produced last month more than 80 percent as much steel as the United States.

Official figures published in Moscow show that the Soviet steel output for March was almost 5,100,000 short tons, as against United States output of 6,254,000 tons. In the first quarter of 1958 Soviet steel output of about 14,600,000 short tons was about 78 percent of the United States figure for the same period, 18,790,235.

The United States has more than twice the steel-producing capacity of the Soviet Union, but recently the United States capacity has been employed at only about half the full volume. The Soviet steel industry is operating at or close to capacity; it increased its production during the first 3 months of this year 7 percent over the same 1957 period. The same comparison for the United States shows a decline of about 40 percent.

MORE INFORMATION AVAILABLE

The latest economic data released by the Central Statistical Administration in Moscow have given analysts of the Soviet economy a new tool for studying its production performance. Taken together with data published last month, it is now possible to compute the Soviet production in March 1958 of many key commodities. Earlier the Soviet Government had made the information public at such infrequent intervals that no monthly data on Soviet production were available.

Some of the Soviet production figures for last month now available are the following, in short tons of 2,000 pounds each, except where otherwise stated:

Pig iron, 3,600,000; iron ore, 8,300,000; coal, 47,100,000; oil, 10 million; cement, 2,500,000; natural gas, 2,400,000,000 cubic meters; shoes, 29,800,000 pairs; motor vehicles, 43,700 units; tractors, 18,400 units; machine tools, 12,400 units; sulfuric acid, 418,000 tons; mineral fertilizers, 1,100,000 tons.

For the first quarter of 1958, the Soviet report said that gross industrial production increased 11 percent over the same period last year, a higher rate than originally planned. The fulfillment of industrial production plans was declared to be general throughout the country, with all regional economic councils reaching their targets.

QUARTERLY OUTPUT

The data that follow show Soviet production of key commodities during the first

quarter of 1958, in short tons unless otherwise stated:

Pig iron, 10,500,000; iron ore, 23,200,000; coal, 134 million; oil, 28,900,000; natural gas, 6,800,000 cubic meters; electricity (from major power stations), 50,100,000,000 kilowatt-hours; mineral fertilizers, 3,400,000 tons; sulfuric acid, 1,300,000 tons.

Also tires, 3,500,000 units; machine tools, 33,400 units; tractors, 53,400 units; diesel locomotives, 1,148 units; electrical locomotives, 84 units; motor vehicles, 128,000 units; freight cars, 9,900 units; cement 8,300,000 tons; cotton cloth, 1,400,000,000 meters; leather shoes, 87 million pairs; radios, 1,100,000 units; television sets, 219,000 units; refrigerators, 88,000 units; artificial fibers, 46,000 tons.

Mr. HUMPHREY. Mr. President, I have said that this need not be the situation. It does not make one happy to report that the industrial production of the Soviet Union is going up, while ours is going down. It does not make one happy to report that the steel production of the Soviet Union is approximating that of the United States, despite the fact that we have twice the industrial capacity.

What needs to be done about it is the immediate responsibility of the administration and of Congress. All the talk about the possibility that things will get better is not going to make them better and will not add up to the positive results we want.

I was pleased to note this morning the report that the President and the administration will give favorable consideration again to support of a school construction bill. I hope that is the situation. If it is, I trust the President will submit his recommendation to Congress forthrightly and effectively and dramatically, and that Congress will authorize a broad program of Federal assistance for the purpose of aiding communities with school construction.

This is urgently needed, as is the tax cut which Congress has been talking about for months, about which the administration has been in and out, and about which nothing has been done. It is about time we realize the tremendous waste of resources, the tremendous waste of manpower, the tremendous waste of production, and the tremendous waste in the loss of income, which the economic recession is taking from the American people. The way to end the recession is to have the Government act rather than to procrastinate.

Mr. MANSFIELD. Mr. President, I shall suggest the absence of a quorum; but before doing so, I wish to inform the attachés of the Senate that it will be a live quorum. I suggest that they communicate with Senators and notify them to that effect.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

| | | |
|----------|----------|---------------|
| Aiken | Bible | Carlson |
| Allott | Bricker | Carroll |
| Anderson | Bridges | Case, N. J. |
| Barrett | Bush | Case, S. Dak. |
| Beall | Byrd | Chavez |
| Bennett | Capehart | Church |

| | | |
|--------------|-----------------|--------------|
| Clark | Jackson | O'Mahoney |
| Cooper | Javits | Pastore |
| Cotton | Jenner | Payne |
| Curtis | Johnson, Tex. | Potter |
| Dirksen | Johnston, S. C. | Proxmire |
| Douglas | Kefauver | Purtell |
| Dworshak | Kennedy | Revercomb |
| Eastland | Kerr | Robertson |
| Ellender | Knowland | Russell |
| Ervin | Kuchel | Saitonstall |
| Flanders | Langer | Schoeppel |
| Frear | Long | Smathers |
| Fulbright | Magnuson | Smith, Maine |
| Goldwater | Malone | Smith, N. J. |
| Gore | Mansfield | Sparkman |
| Green | Martin, Iowa | Stennis |
| Hayden | Martin, Pa. | Symington |
| Hennings | McClellan | Talmadge |
| Hickenlooper | McNamara | Thurmond |
| Hill | Monroney | Watkins |
| Hoblitzell | Morse | Wiley |
| Holland | Morton | Williams |
| Hruska | Mundt | Yarborough |
| Humphrey | Murray | Young |
| Ives | Neuberger | |

Mr. MANSFIELD. I announce that the Senator from Ohio [Mr. LAUSCHE] is absent because of a death in his family.

Mr. DIRKSEN. I announce that the Senator from Maryland [Mr. BUTLER] is necessarily absent.

The Senator from Minnesota [Mr. THYE] is absent on official business.

The PRESIDING OFFICER. A quorum is present.

TAX CUT FOR THE PEOPLE

Mr. YARBOROUGH. Mr. President, it was just a little more than a month ago, on March 14, that 19 members of the Senate, joined by 3 additional Senators who paired for it, voted for my amendment, authored also by the distinguished junior Senator from Wisconsin [Mr. PROXMIRE] and the very able Senator from Oregon [Mr. MORSE] to give all Americans an income tax cut by raising exemptions from \$600 to \$800.

At that time, many of those who voted against the move to cut taxes for the people took the position that it was "too early" and that we should "wait and see." I asked then, and I ask again, What are we waiting for? Approximately 6 million men and women are hunting jobs, and cutting taxes will boost purchasing power and immediately make more jobs.

Mr. President, it seems to me that the administration has been unconcerned and curiously reticent to cut taxes for the people of low and moderate income groups. At first I considered this to be simply the customary terrapin tactics of this administration. But frankly I am beginning to wonder if this anti-tax-cut-for-the-people attitude is carefully planned. It begins to appear that there is a very real danger that the first tax cuts will be for corporations and not for people.

I refer, of course, to the fact that corporate and excise tax rates must be extended by June 30, 1958, or they will revert to previously passed lower levels. Either the Congress must pass an extender or the corporate and excise tax rates will be automatically lowered. It is plain to see where administration inaction is leading, in this case. It is leading to another tax cut for big business, while the people are largely ignored. I trust no member of the Senate

has forgotten that virtually all of the last tax cut went to big business.

From an antirecession standpoint, and from the view of simple justice, it is clear that the people are entitled to tax relief. We read on every side reports quoting economists and various study groups advocating a tax cut for all the people. The Rockefeller Economic Report favors such a cut, and I read the other day that one of the President's chief economic advisers also favored personal income tax decreases.

Yesterday Mr. Nate White, the business and financial editor of the outstanding newspaper, Christian Science Monitor, pointed out:

Economic indicators for which the President has been waiting are coming in now. They indicate a broadening, deepening, and multiplying of the recession. The strong factors necessary to indicate an upturn are notably missing.

Mr. President, I ask unanimous consent to have printed at this point in the Record the following articles:

Tax-Cut Straws Pile Up in United States, from the Christian Science Monitor of April 19.

Rockefeller Study Calls for Tax Cut, from the Washington Post of April 21.

Early Tax Cut Decision Urged, from the Washington Post and Times Herald of April 22, 1958.

I again urge that early consideration be given to my bill to cut taxes for people in the low- and moderate-income tax brackets by raising the personal exemption from \$600 a year to \$800 a year for every American.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the Christian Science Monitor of April 19, 1958]

TAX-CUT STRAWS PILE UP IN UNITED STATES (By Nate White, business and financial editor of the Christian Science Monitor)

BOSTON.—It now seems inescapable that the President and Congress will be compelled to deal with the need for a tax cut as an additional means of ending the recession.

It is not a remedy which anyone likes because it means running the Government in the red for 2 or 3 years. This is not the central question. The Government is going to run in the red anyway. The central question is whether by a tax cut the economy can be restored to full power and thus shorten the period in which the Government will operate in the red.

Economic indicators for which the President has been waiting are coming in now. They indicate a broadening, deepening, and multiplying of the recession. The strong factors necessary to indicate an upturn are notably missing.

Positive factors, of course, are at work. They always have been in the course of this recession. Many businesses are having the best income year ever.

THAT AWFUL SUSPENSE

It must be stressed again that the United States does not have a collectivist economy—an economy of collectivists. This is an economy of individualists. No single business or single individual is under any collective compulsion to do anything. This is the nature of a free economy. Because one business gets into trouble, this is no argument that all businesses should suffer.

One must be aware of and avoid the trap of thinking collectively about problems which are essentially individual in their nature.

Business is as good or as bad as the managerial thinking which goes into it. Many businesses are suffering now from the effects of bad managerial thinking, reflected in poor market research, decidedly wrong production schedules, distinctly poor or negative sales practices—and overpricing.

Since the Government is all of the people, it is important that the people should not be penalized for the bad managerial thinking of a few industries, or for the poor cost position they have got into through wage agreements not sustainable in the marketplace.

A recession is a nice big umbrella for poor business managers to take cover under, blaming it for their business trouble. There would be no recession in their business if proper business decisions had been made.

This is why it is unreasonable to expect the Federal Government to pull these industries out of their troubles.

For instance, no amount of Government action can compel consumers to buy autos or houses or television sets if they are convinced that the prices are too high or that the product is not what they want.

If the consumer doesn't like a product or a price, why should the Government move in either to make him like it or to rescue an industry which made the initial misjudgment of its market or whose product has ceased to meet consumer requirements? If this were the basis of the American economic system, the United States would have socialism instead of a free market.

If this were the kind of system Americans wanted, then Government presumably could also design the types of cars Americans drive.

Why, then, must the tax-cut question be raised this spring? Why not just let the metals industries, including steel (burdened with excessive inventories), automobiles (confronted with a consumer rebellion against styles and prices), and petroleum and railroads "sweat it out"?

The answer lies simply here: That no one in responsible positions of authority can afford to risk the downturn of an entire economy on the "sweating-out" process of such large, individual basic industries as steel, autos, oils, and railroads. The risk of extending the recession to the entire economy must be ended. On the positive side of a tax cut, a need exists to stimulate investment in research into new products and the industrial expansion which will be required by the growing population. Tax relief of upper-bracket income could provide this stimulant.

A further risk exists. It is political. The political party judged by the electorate as responsible for delays in ending the recession will not be returned to office.

[From the Washington Post of April 21, 1958]

ROCKEFELLER STUDY CALLS FOR TAX CUT—PROPOSALS INCLUDE SUPPLEMENTARY AID AND PUBLIC WORKS

NEW YORK, April 20.—A Rockefeller Brothers Fund report called today for a Federal tax cut, short-term public-works projects, and Federal supplements for unemployment insurance to beat the recession.

The report also said that growth potentials in the American economy should double real wages in the next 30 years, making possible a tremendous advance in human welfare.

It forecast for 1967 greater Government expenditures and contributions on all levels so there will be:

"A doubling of expenditures for education.

"Approximate doubling of public expenditures for social insurance and health.

"Approximate doubling of public expenditures for public works, including urban renewal, water supply, and roads."

The report, product of a special-studies project of the Rockefeller Brothers Fund, Inc., is titled: "The Challenge to America: Its Economic and Social Aspects."

It is the second in a series of reports drawn up by experts. Among the members of the project's overall panel are Nelson A. Rockefeller, chairman of the panel; Chester Bowles, former Ambassador to India; Arthur F. Burns, president of the National Bureau of Economic Research; David Sarnoff, chairman of the Radio Corporation of America; and nuclear physicist Edward Teller.

No figure for the amount of the tax cut was mentioned in the report, although a member of the fund's special economic panel publicly has urged a \$5 billion reduction.

The report noted that the present recession has been a cause of deep concern, but it said goals must go beyond restoring conditions.

"If we act vigorously," the report said, "the current concern with stimulating demand will prove transient."

MAIN RECOMMENDATIONS

These were some of the main recommendations and findings:

Business should introduce new products, sell aggressively, offer better values.

Of antirecession measures available, a Federal tax reduction can be effective in the shortest time to stimulate jobs. It should affect all taxpayers of all incomes without favoring any special interests and should have no time limit.

It should be regarded as a first step in a permanent tax policy which regularly lowers taxes during recessions and restores them to necessary levels once full employment is regained.

The Government should continue to accelerate already authorized public works projects and initiate programs that can be started quickly and completed within 12 to 18 months.

Temporary Federal supplements to unemployment compensation are necessary.

The unemployment insurance system should be strengthened by extending it to all workers, increasing benefits and lengthening their duration.

Public works plans should be strengthened for use in any future recessions.

ANTI-INFLATION STEPS

To combat inflation, the report urged: During full employment, Federal receipts should exceed expenditures.

Business and labor should exercise restraint in pricing and wage demands.

Taxes should be reformed so they can be used to combat inflation and recession.

The tax system should be reformed to reinforce growth incentives.

[From the Washington Post and Times Herald of April 22, 1958]

EARLY TAX-CUT DECISION URGED

(By Robert C. Albright)

New pressure for an early tax-cut decision developed at the Capitol yesterday as the war on the recession moved forward on these other Congressional fronts:

The House Ways and Means Committee approved a Democratic-sponsored bill extending unemployment benefit payments an extra 16 weeks, after voting down every attempt to change it. A meeting of the committee was called for 2 p. m. today to formally report out the measure.

The Senate passed by a voice vote and sent to the White House an administration bill authorizing advance spending of some \$54.3 million of 1959 fiscal year appropriations by Federal civilian agencies, for needed supplies. The move followed a parallel speedup of military buying.

SEEN DISTURBANCE CAUSE

Speaker SAM RAYBURN, Democrat of Texas, meanwhile, told a Capitol Hill news conference an early decision ought to be made on whether or not to cut taxes. Without committing himself on what course should be taken, RAYBURN said there is a "good deal of disturbance" throughout the country because of uncertainty about taxes.

"As soon as it is determined whether or not we are going to fool with taxes, it ought to be announced," RAYBURN said.

Appearing before the House Banking Committee, Gov. Averill Harriman, of New York, called for an immediate tax cut for the low- and middle-income groups and large and diversified public works spending.

Harriman blamed the slump on ill-advised policies of the administration, and said it could have been avoided had President Eisenhower acted 6 months ago.

The Democratic Governor also urged further relaxation of tight-money policies, saying administration credit moves have been halfhearted and too late. He said unemployment insurance and minimum wage standards should be raised and steps should be taken to protect farmers' income.

Across the Capitol separate bills to reduce taxes were dropped into the hopper by a Democrat and a Republican.

Senate Democratic Whip MIKE MANSFIELD, Montana, introduced legislation to raise individual exemptions on income tax payments from \$600 to \$800 and to abolish most excise taxes on such items as automobiles and television sets.

MANSFIELD said reductions in excises on durable goods are long overdue, adding: "They were put into effect during the war period; they were considered an emergency measure, and they have been carried forward on a year-to-year basis since."

Senator FRANK CARLSON, Republican, of Kansas, introduced a more limited tax relief measure. CARLSON's bill would allow a deduction for home improvement or repair expenses when these exceed 3 percent of adjusted gross income of the homeowner, but place a \$2,000 ceiling on such relief.

The House Ways and Means Committee approved, by a near party-line vote of 14 to 11, the final draft of the Democratic bill extending unemployment benefit payments an extra 16 weeks to insured and uninsured workers alike.

A number of attempts to modify the measure were rejected by similar ballots, with only 1 or 2 Members breaking party ranks on each side of the aisle.

Among the unsuccessful amendments were two proposals by a Democrat, Representative BURR P. HARRISON, of Virginia, which commanded strong Republican support. One would have substituted public assistance, on a 50-50 Federal-State matching basis, for the Democratic section extending unemployment benefits for the first time to uninsured workers. The other unsuccessful amendment followed the lines of the administration plan, providing for loans rather than grants to the States, but only when agreements had been entered into with the States.

THE LEGAL HORIZONS OF SPACE USE AND EXPLORATION

Mr. MUNDT. Mr. President, at the annual Law Day Dinner at the Uni-

versity of South Dakota on April 19, a most challenging and interesting address was delivered by Charles S. Rhyne, president of the American Bar Association.

In this address, Mr. Rhyne devotes his remarks to consideration of new problems developing from the exploration of outer space and calls attention to the new challenges confronting legal minds as a result of man's conquest of outer space.

Because of the unusual aspects of this address, as well as the cogent and convincing thoughts contained in it, I ask unanimous consent to have it printed in the RECORD.

Mr. CASE of South Dakota subsequently said: Mr. President, I had intended to ask unanimous consent to have printed in the RECORD an address delivered on April 19, 1958, at Vermillion, S. Dak., by Mr. Charles S. Rhyne, president of the American Bar Association, at the Annual Law Day dinner. The consent has been given on request by my colleague—therefore I withhold the request but commend the address to all. The address is of more than usual interest, because it deals with the legal horizons of space use and exploration.

Mr. Rhyne, as president of the American Bar Association, commands attention when he speaks, and his dissertation on the subject of his address is of timely interest.

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

THE LEGAL HORIZONS OF SPACE USE AND EXPLORATION—ADDRESS BY CHARLES S. RHYNE, PRESIDENT, AMERICAN BAR ASSOCIATION, AT ANNUAL LAW DAY DINNER, UNIVERSITY OF SOUTH DAKOTA LAW SCHOOL, VERMILLION, S. DAK., APRIL 19, 1958

I thank you for your gracious invitation to speak to you today. It is always a real pleasure to meet with law students and learn of your reactions to the record which has been made by those of us who already have the responsibility for the legal profession. Soon it will be your profession, your responsibility, and your record. For the legal profession of tomorrow marches on the feet of you whom I address today. As a representative of the American Bar Association, I am pleased to note that you are members of the ALSA. I sincerely hope you will become very active in the work of the organized bar upon entrance into the practice of law. I am convinced that bar work is the foremost service a lawyer can render, either to himself or to the public.

We meet in a common bond—the bond of raderie exists among lawyers everywhere. We legal profession. You will find that a camaraderie mightily as adversaries in court, but thereafter we meet together as friends. Older lawyers are always willing, even anxious, to help their younger and less experienced brethren of the bar. Never forget that. Never fail to rely upon and use that great source of strength as you begin and continue your law practice. And as you, too, grow older and more experienced, never fail to give a hand to those who follow you into our great profession.

A common purpose to uphold right and justice prevails among lawyers. Lawyers do not always agree on the means and methods—either procedural or political—for securing

justice, but they dedicate their lives to its attainment.

In speaking of the future, it probably is necessary to first speak of the past. I suppose it is presumptuous for any man to choose his time and his experiences as important in history. The history of this Nation is so replete with triumphs, crises, failures, achievements, greatness, tragedy, and glory that to pick any particular span of years as being more significant than any other might appear foolhardy. But I shall risk the charge of a brazen indifference to the facts of history by claiming that the past 20 years—the 20 years I have practiced law—are as significant as any in the long history of this country. In political labels we have gone from the "New Deal" to "Modern Republicanism"; we have seen a depression ripen into hitherto unknown prosperity and then regress to recession; a war to end wars has been followed by a lot of little wars; the airplane and rapid communications have shrunk nations to neighborhoods and made ours a physically indivisible world; we have learned to live with the prospect of the atomic and hydrogen bombs—and of atomic energy for peaceful purposes—and we now have Moscow only 30 seconds from Washington via missile or satellite. These past 20 years of sensational change are unmatched in all history. The base is laid for even greater dramatic changes in the years ahead.

All this, and more, has been part of this 20 years—a time of growth, development, dynamic and rapid change, some maturity, but always the constant movement of progress. This has been my stage for action, and it has been your time, too. As I have lived, and to a small degree participated in the events of the past 20 years, you have lived and been participants also. Your environment has been these unprecedented days of the thirties, the forties, and now the fifties.

This progress has been the responsibility, and the fulfillment, of others. Now it will become your task, too. When you examine and reexamine what has happened and how it has happened, you must inevitably conclude that the lawyer, and our courts, have been among the prime movers in this new growth.

As lawyers, you will inherit this mantle of responsibility and this mantle of history. For as mankind has progressed, there have always been lawyers to call the turn and to march in the parade of progress. The greatness of this Nation is due in no small measure to the devoted influence of lawyers. From its inception to the present zenith of its power, our system of government has been in large part conceived, shaped, and directed by lawyers.

It is well that you who must meet the challenge of the future have been privileged to live during the dynamic era of the past two decades. As witnesses to the tremendous changes and scientific, economic, and social development of this period, you have become accustomed to a whirlwind civilization. Your minds are highly receptive to new ideas, and you are quite willing to speculate as to future developments. This attitude will be not only valuable but requisite for the practicing lawyer of tomorrow.

I would like to examine with you some of the problems which we of the legal profession may justifiably expect. It is natural that since law changes and adapts itself largely as a result of changing facts and events, there will always be a slight lag between technological progress and the law. But responsibility rests heavily on our profession to exercise our anticipatory capacity to assure that this gap is always as small as possible. In order to do this we must constantly look to the future and devote con-

siderable thought as to how yet nonexistent but foreseeable problems should be handled when they arise.

First, let us look at the immediate future. Many areas of law such as workmen's compensations, torts, conflict of laws, licensing requirements, health and safety regulations, and patents must soon be greatly expanded or revised to allow for the scientific, economic, and social developments of our day. Consider, for example, the tremendous effect which the development of atomic energy will have and is having on the areas of law just named. While even now we can get only glimpses of the new and revolutionary uses of this new energy source, its widespread replacement of current power sources is certain, and its effect on law will be revolutionary. Issues such as liability for various possible accidents in the use of nuclear power are far from clear cut under our present law. Involved liability issues will arise from many new and novel situations such as the spread of radioactive particles from test explosions, or contamination from radioactive waste material dumped into the ocean.

Law to control and regulate atomic energy's peaceful use must be carefully studied and expanded to meet the new needs which are rapidly developing. There are already gaps between Federal and State regulation. Problems involving such subjects as interstate sales and shipment of radioactive materials are already here. Also needed is a practical system of reporting radioactive accidents. A clarification of procedures dealing with the prosecution of patent applications and the control and ownership of patents by the Atomic Energy Commission are very live problems today.

This is enough reference to law and atomic energy to demonstrate that here is a tremendous new field of law which you, the new members of our profession, will largely develop because you must. These novel and unprecedented problems will require unprecedented solutions. It is you who will largely develop the precedents.

Moving a little further into the future let us get into the realm of almost pure speculation—but speculation in which, nevertheless, we have every cause to engage. Let us think about law to govern entirely new fields such as outer space use by guided missiles, satellites, space stations, and international weather control. The late Commissioner John Von Neuman, of the Atomic Energy Commission, predicted that weather control is just around the corner of discovery and that it will merge each Nation's affairs with those of every other, more thoroughly than the threat of nuclear or any other war may already have done and that weather warfare has awful possibilities beyond even nuclear warfare. Rules of law to meet this situation will require tremendous imagination and ingenuity. But progress is response to challenge, and law will be adapted to this need because it must be. The only point I now make is that the rule of law is the best answer here in this as yet unpredictable field of possible international friction.

The entire world was startled and amazed at the recent achievement of earth satellites by the Russians and by our country. And new missile and nuclear advances crowd the headlines of our papers and pour out constantly from TV and radio newscasts. That the horizons and frontiers here are just as unknown or as speculative as those with respect to the earth at the time of Columbus is crystal clear. Though all of us recognize that these advances mark magnificent developments in scientific progress, few of us are able to grasp their real potential in terms of charting the future at this time in the field of law.

The exploration of outer space has added a vast new frontier of unlimited and relatively unknown dimensions. We must have a space program second to none. But the emphasis in such exploration must not be on weapons but on peaceful use. So long as the military control, military use is the guide for development. And such use is too narrow for anything as tremendous as our essential rapid and broad expansion of our space program. That is why I sincerely believe that our program should be under civilian rather than military control. A combination of civilian control and military know-how should be the right formula for success. We must be second to none in space exploration and first always in its peaceful use. And since the anxious eyes of the world are upon our every move, we must demonstrate that fact to the world by our every action in these crucial days.

For the proper perspective for our venture into the future of the law I recall to your minds President Eisenhower's outline on March 26 of our program to insure that we reach the moon as well as be foremost in space exploration and use. Scientifically we will thus meet and exceed the Russian challenge in outer space. But more is involved here than a space race. Strength of man today resides in his mind. We still need to capture the minds of men for our ideas and ideals in space use and exploration. And here is where the law can render a great service. Here is where the use of the rule of law is, I believe, imperative.

Let us take the specific problem of outer space and consider the extent to which present law must be expanded to fit the situations now forecast.

There has been a lot of writing and a lot of litigation concerning the ownership of airspace. Legal theories have ranged in degree from the ancient theory that ownership of property gives complete title indefinitely upward and downward, to the more recent theory that ownership of property includes title to airspace to the extent only that the owner makes actual use of it. Under international law sovereignty in airspace has been recognized. There is therefore much experience and background which have formed an established body of law in the area of airspace rights within the earth's atmosphere. Much of my own legal work has been in this field. I have witnessed a whole new field of aviation law grow within my 20 years at the bar. Though air-control cases are still closely fought, enough basic principle has been established and accepted so that we are now able to predict in most instances how the law should and will be applied.

We must now develop new law to control use of outer-space exploration and discoveries therein. The now familiar body of airspace law for the earthbound does not in truth provide all the answers. If we extend the airspace ownership theory upward and outward indefinitely we encounter physical difficulties. Because of the curved face of the earth the extension would give us an inverted cone which would grow bigger and bigger in relation to the earth as it extended further into space. There would come a point when these cones would overlap and more than one nation would be claiming to own the same airspace. These facts illustrate the impossibility of applying existing airspace ownership sovereignty law to outer-space use. But as in the case of airspace control for the earthbound, law can grow to meet the needs of outer space.

We have learned on the planet Earth that either the law of force or the force of law controls mankind's actions. On the planet Earth, mankind's greatest need is for law to replace weapons as the decision mechanism in settling disputes between nations. As

mankind launches out into the fantastic new frontiers of outer space we must tie to the rule of law as our best hope for a future peaceful existence. If the rule of law controls the use of space a peaceful use theory is assured. If force governs, the first unprincipled dictator to achieve a lead in space use of exploration which gives him dominance of the earth could, indeed, terrify or destroy at his whim. Space use and exploration is thus compounded with possibilities of enormous good or enormous evil. We must lead toward a good end result by adopting policies and plans to achieve that goal. President Eisenhower in his letter of January 12 to Bulganin stated that he was proposing a solution of the most important problem that faces our world today. He then urged that we agree that outer space should be used only for peaceful purposes.

For a moment let us look at some of the problems which arise from the use of outer space. We can start by supposing that the United States were to shoot down sputnik while it is over our territory or that the Russians were to shoot down the Explorers or the Vanguard over Russia. Would we, or they, be exercising a clear legal right? Certainly under settled rules of international law we or they could do so, if outer space is part of our or their sovereign territory. Do we own or have sovereignty over space 560 or 6,500 miles up or out? At least tentative recognition of freedom of use of outer space is indicated in the fact that no protests have been made over the use of that space by the already-launched satellites. But other legal problems also arise. Suppose sputnik does not burn up in space, but falls on Washington, D. C. Is the Soviet Union liable for damages? Our existing law clearly was designed in terms of the earth's atmosphere. Can it be made applicable in determining the jurisdiction of endless space. I sincerely believe that while the rules may of necessity be different, the principles of the rule of law can and must be applied.

We of the legal profession must do as we have always done with new subjects, develop a set of legal rules based upon law principles for outer space use and exploration and all that is discovered there. Law is not only the accumulated wisdom of the centuries, but it is above all a bundle of moral principles approved by experience as insuring fair treatment for all affected thereby. That fundamental is enough as a base for outer space law. We can use the rule of law as our basis and formulate such traffic and other rules as are needed as we go along.

The great need is for debate and discussion. It is in the hope of stimulating these that I now speak. I begin by expressing the view that freedom of use of outer space like freedom of the use of the seas is the most logical legal principle to begin with. But more is involved than this.

Ownership of the moon when man gets there, or ownership of newly discovered planets by the occupying or discovering nations is a very live question for lawyers today. The position of most scholars in the international law field is that even during the early days of discovery mere physical discovery or visual apprehension was not a solid basis for a claim of sovereignty. However this discovery plus some symbolic act or formal claiming ceremony was considered wholly sufficient to establish immediate sovereignty and valid title.

This has not been the position of the United States. In 1942 Secretary of State Charles E. Hughes said: "It is the opinion of the Department that the discovery of lands unknown to civilization, even when coupled with a formal taking of possession, does not support a valid claim of sov-

erignty unless the discovery is followed by an actual settlement of the discovered country."

That this is our position in practice as well as word is clearly evidenced by the fact that we have never made and have actually denied any claim to Antarctica despite extensive exploration of that territory by Americans. This is certainly the most progressive approach to modern discovery, and the only sensible position to be extended to outer space explorations.

If the policy of making no claim of sovereignty and recognizing none is applied, the race to the moon and to the stars then would be applauded by all mankind, but especially by the often terrified bystanders to the present contest. We who seek to own no people and no people's land should express that as the legal principle we espouse here. All free and all uncommitted peoples would praise us for that stand and we could regain some of our leadership in the world, as our leadership is and always has been based upon moral principle. Surely we will never seek to make slaves of the inhabitants of Mars, or the moon, nor will we use those planets for destructive purposes; so let us say so.

Our galaxy has 40 billion stars, many larger than our sun. We are told that there are at least 40 billion other galaxies. Scientists feel that it is very likely that intelligence other than ours does exist. If so, good relations depend on the establishment of a just and rational basis for intercourse. That basis on our part must be fairness and reason, which means the rule of law.

We have here not only one of the new frontiers of the law but of the world. We must never be anchored to the past, but we should always be willing to be guided by it. Extensive research, study, debate, and cooperative action is necessary to gain insight into these problems and to provide the basis for constructive proposals for changes or expansion in the law to meet the needs here. This work cannot be done entirely and effectively by individuals. We lawyers and our law schools must work together on this and by far the most effective instrument we have for active cooperation is the organized bar.

As we square away to meet the ever-mounting new problems in the law from nuclear energy, outer space exploration and use, and the many new legal problems and questions which are just around the corner, it seems well that we pause to establish a more firm base for the law in our country and in the world. The new frontiers in the conquest of space are exceeded only by the problems in human relationships which flow from our physically indivisible world. Here too the law offers our best hope. The lawyer has always been the technician in man's relationship to man. We who have not yet developed successful machinery to insure peaceful relations among our peoples here on earth must begin to consider the possibility, no matter how remote it may be, of expanding our horizons to encompass not only outer space but relations with other forms of intelligent life on other planets. Perhaps joint effort on law for peaceful control of outer space can pave the path toward legal machinery to insure peace on planet earth.

In our own country many of our most difficult problems flow directly from a breakdown in the law. In such areas as juvenile delinquency the disgraceful situation that exists comes from an ignoring of the law rather than ignorance of the law. Another illustration is the traffic slaughter on the highways which likewise results in large part from law violation because our people do not

adequately respect the law. In the international field certain it is that both lack of law, and lack of respect for law, have led directly to armed conflict.

Recently there had been rather shocking reports by surveys of high school and other students which indicate that they know little and care less about the great constitutional liberties of our country and our Government of law thereunder. I fear that this situation extends to the public at large and is not confined to students.

At a time when we do battle daily in a constant propaganda fight with the Kremlin over ideas, ideals, and accomplishments of our system of Government under law as compared with that of the Communist system of an all powerful state, it seems well that we shore up any weaknesses that exist in our system and that we strengthen that system constantly in every possible way.

As John Adams, the second President of the United States as draftsman of the 18th article of the bill of rights of the Massachusetts constitution warned, "A frequent recurrence to the fundamental principles of the constitution is absolutely necessary to preserve the advantages of liberty and to maintain a free government."

By now you students of the law have undoubtedly been advised of the proclamation of the President of the United States designating May 1, 1958, as "Law Day—U. S. A."—a day of national dedication to our great heritage of liberty under law—a unique first national observance of what law has meant in the development of the American Nation and the important part it plays in the daily life of every citizen of our country.

If the rule of law is to be our answer—and I most sincerely believe that it must be—to the control of the use and exploration of outer space, as well as the mechanism of resolving disputes between nations here on the planet Earth, that idea and the ideals embodied therein must be sold to the people of America. In our Republican form of government the end control is crystallized public opinion. We have transferred sovereignty from the ruler to the ruled. Our people can support or change our government of law. "Law Day—U. S. A." If properly observed throughout our Nation could reawaken in our people that respect for law in our own country which is needed to strengthen our government under law as well as create a new appreciation of the rule of law in international affairs. Such appreciation is essential to forward the idea of the use of law to insure and assure the peaceable existence of mankind, regardless of what is in store for us here on earth or in the yet unknown reaches of outer space.

I therefore hope that you as law students, and those of you in this audience who are lawyers, will do everything within your power to make the observance of "Law Day—U. S. A." a most meaningful and significant occasion. In that way we can all make tremendous contributions to the future by helping to make it a future in which the relationship between mankind, regardless of miraculous developments and achievements, will be a happy, peaceful and wonderful association under the rule of law. There is no more important development for the marvelous new world which scientific accomplishments have brought without our ken.

Through the sections and committee of the American Bar Association, vital research is constantly being carried on in an effort to remedy present weaknesses in our legal structure and to build for a better tomorrow.

You are to become a member of a great profession, and you will be come entitled to

its privileges. Certainly, not the least of these privileges is the right to earn a living through the practice of law. But with these privileges you assume the responsibility of service. I urge you not to forsake that obligation, but to devote a portion of your time to serious thought concerning the future of our profession, and the role we must play in changing, adapting and enlarging the law to keep pace with progress in all phases of man's expanding knowledge.

The lot of a young lawyer is seldom an easy one. If you are conscientious, you will be greatly concerned in making sure that you do high caliber work, and that you will be an asset rather than a liability to your profession. You will have to work very hard, and much of your time will be consumed in just earning a living. Because of this situation which faces every young lawyer, I am thankful for the opportunity at the outset of your careers to suggest that you be very careful not to allow the burdens of undertaking a new life to close your eyes permanently to the obligations and duties in the line of public service which you assume by choosing to become a lawyer. For if you do so, you will not only fail in your responsibility as a lawyer to serve the public and your profession, but you will make of your professional life a dry, uninteresting process of eking out a living, and you will deprive yourself of many joys, rewarding experiences, and wonderful friendships which can be yours only by giving of yourself.

There are many ways to serve. Frankly, I feel that immediate participation in organized bar activities, local, national, and international is an essential part of a lawyer's life. Bar work will afford you the opportunity to meet more of your colleagues and do more real good both for yourself and the public than any other form of service endeavor. Because your efforts will be joined with those of thousands of other lawyers, the value of your work is multiplied many times, and you can be proud to know that you are a very vital part of a truly great service organization. I invite your immediate participation in the many activities of the American Bar Association and of your State and local bars, and I unhesitatingly guarantee that for every hour you spend in bar work you will find yourself repaid one hundred fold in happiness, pride of achievement, and by the formation of warm personal friendships which you will treasure more than gold.

The future is yours, I urge you to earn the right to its benefits.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. MURRAY in the chair). Without objection, it is so ordered.

REPORT OF JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES

Mr. BYRD. Mr. President, as chairman of the Joint Committee on Reduction of Nonesential Federal Expenditures, I submit a report on Federal employment and pay for the month of February 1958. In accordance with the practice of several years' standing, I ask unanimous consent to have the report printed in the RECORD, together with a statement by me.

There being no objection, the report and statement were ordered to be printed in the RECORD, as follows:

FEDERAL PERSONNEL IN EXECUTIVE BRANCH, FEBRUARY 1958 AND JANUARY 1958, AND PAY, JANUARY 1958 AND DECEMBER 1957

PERSONNEL AND PAY SUMMARY

(See table I)

Information in monthly personnel reports for February 1958 submitted to the Joint Committee on Reduction of Nonesential Federal Expenditures is summarized as follows:

| Total and major categories | Civilian personnel in executive branch | | | Payroll (in thousands) in executive branch | | |
|--|--|----------------------|------------------------------|--|------------------|------------------------------|
| | In February numbered— | In January numbered— | Increase (+) or decrease (—) | In January was— | In December was— | Increase (+) or decrease (—) |
| Total ¹ | 2,321,767 | 2,319,069 | +2,698 | \$982,558 | \$953,608 | +\$28,950 |
| Agencies exclusive of Department of Defense..... | 1,237,811 | 1,236,178 | +1,633 | 526,087 | 519,546 | +6,541 |
| Department of Defense..... | 1,083,956 | 1,082,891 | +1,065 | 456,471 | 434,122 | +22,349 |
| Inside continental United States..... | 2,125,214 | 2,122,423 | +2,791 | | | |
| Outside continental United States..... | 196,553 | 196,646 | -93 | | | |
| Industrial employment..... | 566,597 | 565,467 | +1,130 | | | |
| Foreign nationals..... | 226,864 | 228,090 | -1,226 | 24,501 | 25,499 | -998 |

¹ Exclusive of foreign nationals shown in the last line of this summary.

TABLE I.—Consolidated table of Federal personnel inside and outside continental United States employed by the executive agencies during February 1958, and comparison with January 1958, and pay for January 1958, and comparison with December 1957

| Department or agency | Personnel | | | | Pay (in thousands) | | | |
|--|-----------|---------|----------|----------|--------------------|----------|----------|----------|
| | February | January | Increase | Decrease | January | December | Increase | Decrease |
| Executive departments (except Department of Defense): | | | | | | | | |
| Agriculture..... | 84,466 | 85,249 | | 783 | \$31,817 | \$31,144 | \$673 | |
| Commerce..... | 52,587 | 52,187 | 400 | | 25,117 | 24,039 | 1,078 | |
| Health, Education, and Welfare..... | 53,620 | 53,364 | 256 | | 22,498 | 22,211 | 287 | |
| Interior..... | 48,899 | 48,862 | 37 | | 22,464 | 21,573 | 891 | |
| Justice..... | 30,578 | 30,523 | 55 | | 16,020 | 15,437 | 583 | |
| Labor..... | 5,822 | 5,807 | 15 | | 2,831 | 2,707 | 124 | |
| Post Office..... | 535,363 | 535,421 | 58 | | 230,226 | 235,126 | | \$4,900 |
| State ² | 34,497 | 34,365 | 132 | | 13,726 | 13,457 | 269 | |
| Treasury..... | 80,103 | 78,498 | 1,605 | | 36,089 | 34,321 | 1,768 | |
| Executive Office of the President: | | | | | | | | |
| White House Office..... | 408 | 407 | 1 | | 240 | 232 | 8 | |
| Bureau of the Budget..... | 438 | 437 | 1 | | 315 | 302 | 13 | |
| Council of Economic Advisers..... | 29 | 32 | | 3 | 27 | 25 | 2 | |
| Executive Mansion and Grounds..... | 71 | 71 | | | 29 | 28 | 1 | |
| National Security Council ⁴ | 64 | 64 | | | 43 | 41 | 2 | |
| Office of Defense Mobilization..... | 247 | 243 | 4 | | 164 | 162 | 12 | |
| President's Advisory Committee on Government Organization..... | 6 | 6 | | | 3 | 4 | | 1 |
| Independent agencies: | | | | | | | | |
| Advisory Committee on Weather Control..... | | | | | | 8 | | 8 |
| Airways Modernization Board..... | 56 | 49 | 7 | | 35 | 23 | 12 | |
| Alexander Hamilton Bicentennial Commission..... | | | | | | 3 | | 3 |
| American Battle Monuments Commission..... | | | | 10 | 91 | 92 | | 1 |
| Atomic Energy Commission..... | 6,851 | 6,787 | 44 | | 4,020 | 3,700 | 320 | |
| Board of Governors of the Federal Reserve System..... | 582 | 579 | 3 | | 348 | 313 | 35 | |

¹ February figure includes 179 seamen on the rolls of the Maritime Administration and their pay.

² February figure includes 12,261 employees of the International Cooperation Administration as compared with 12,176 in January, and their pay. These ICA figures include employees who are paid from foreign currencies deposited by foreign

governments in a trust fund for this purpose. The February figure includes 2,276 of these trust fund employees and the January figure includes 2,271.

³ Based on the basis of later information.

⁴ Exclusive of personnel and pay of the Central Intelligence Agency.

TABLE I.—Consolidated table of Federal personnel inside and outside continental United States employed by the executive agencies during February 1958, and comparison with January 1958, and pay for January 1958, and comparison with December 1957—Continued

| Department or agency | Personnel | | | | Pay (in thousands) | | | |
|---|------------------|------------------|--------------|--------------|--------------------|----------------|---------------|--------------|
| | February | January | Increase | Decrease | January | December | Increase | Decrease |
| Independent agencies—Continued | | | | | | | | |
| Boston National Historic Sites Commission..... | 4 | 4 | | | \$1 | \$1 | | |
| Civil Aeronautics Board..... | 676 | 672 | 4 | | 398 | 376 | \$22 | |
| Civil Service Commission..... | 4,102 | 4,107 | | 5 | 2,020 | 1,939 | 81 | |
| Commission of Fine Arts..... | 4 | 4 | | | 2 | 2 | | |
| Corregidor Bataan Memorial Commission..... | 2 | 2 | | | 1 | 1 | | |
| Export-Import Bank of Washington..... | 207 | 206 | 1 | | 134 | 122 | 12 | |
| Farm Credit Administration..... | 873 | 875 | | 2 | 527 | 479 | 48 | |
| Federal Civil Defense Administration..... | 1,295 | 1,295 | | | 752 | 712 | 40 | |
| Federal Coal Mine Safety Board of Review..... | 7 | 8 | | 1 | 5 | 4 | | |
| Federal Communications Commission..... | 1,201 | 1,204 | | 3 | 682 | 638 | 44 | |
| Federal Deposit Insurance Corporation..... | 1,194 | 1,191 | 3 | | 780 | 643 | 137 | |
| Federal Home Loan Bank Board..... | 816 | 796 | 20 | | 401 | 375 | 26 | |
| Federal Mediation and Conciliation Service..... | 324 | 319 | 5 | | 255 | 205 | 50 | |
| Federal Power Commission..... | 706 | 708 | | 2 | 416 | 392 | 24 | |
| Federal Trade Commission..... | 734 | 727 | 7 | | 446 | 423 | 23 | |
| Foreign Claims Settlement Commission..... | 89 | 93 | | 4 | 57 | 56 | 1 | |
| General Accounting Office..... | 5,391 | 5,399 | | 8 | 2,875 | 2,745 | 130 | |
| General Services Administration ⁵ | 27,522 | 27,524 | | 2 | 11,156 | 10,620 | 536 | |
| Government Contract Committee..... | 25 | 24 | 1 | | 12 | 10 | 2 | |
| Government Printing Office..... | 6,370 | 6,410 | | 40 | 3,068 | 2,881 | 187 | |
| Housing and Home Finance Agency..... | 9,700 | 9,688 | 12 | | 5,097 | 4,861 | 236 | |
| Indian Claims Commission..... | 17 | 17 | | | 13 | 12 | 1 | |
| Interstate Commerce Commission..... | 2,261 | 2,253 | 8 | | 1,211 | 1,136 | 75 | |
| Jamestown-Williamsburg-Yorktown Celebration Commission..... | 3 | 3 | | | 3 | 3 | | |
| National Advisory Committee for Aeronautics..... | 7,698 | 7,696 | 2 | | 4,359 | 4,134 | 225 | |
| National Capital Housing Authority..... | 269 | 268 | 1 | | 117 | 111 | 6 | |
| National Capital Planning Commission..... | 32 | 31 | 1 | | 19 | 18 | 1 | |
| National Gallery of Art..... | 331 | 327 | 4 | | 115 | 113 | 2 | |
| National Labor Relations Board..... | 1,123 | 1,124 | | 1 | 719 | 686 | 33 | |
| National Mediation Board..... | 113 | 102 | 11 | | 71 | 64 | 7 | |
| National Science Foundation..... | 339 | 298 | 41 | | 173 | 137 | 36 | |
| Panama Canal..... | 14,857 | 14,820 | 37 | | 3,820 | 3,689 | 131 | |
| Railroad Retirement Board..... | 2,546 | 2,522 | 24 | | 1,043 | 979 | 64 | |
| Renegotiation Board..... | 333 | 332 | 1 | | 226 | 221 | 5 | |
| St. Lawrence Seaway Development Corporation..... | 39 | 37 | 2 | | 25 | 22 | 3 | |
| Securities and Exchange Commission..... | 845 | 838 | 7 | | 489 | 461 | 28 | |
| Selective Service System..... | 6,291 | 6,296 | | 5 | 1,618 | 1,593 | 25 | |
| Small Business Administration..... | 1,329 | 1,310 | 19 | | 724 | 671 | 53 | |
| Smithsonian Institution..... | 875 | 853 | 22 | | 370 | 350 | 20 | |
| Soldiers' Home..... | 998 | 1,007 | | 9 | 281 | 272 | 9 | |
| Subversive Activities Control Board..... | 33 | 33 | | | 25 | 24 | 1 | |
| Tariff Commission..... | 217 | 216 | 1 | | 132 | 126 | 6 | |
| Tax Court of the United States..... | 147 | 150 | | 3 | 101 | 98 | 3 | |
| Tennessee Valley Authority..... | 14,649 | 14,674 | | 25 | 7,579 | 6,887 | 692 | |
| Theodore Roosevelt Centennial Commission..... | 9 | 11 | | 2 | 3 | 3 | | |
| United States Information Agency..... | 10,975 | 10,989 | | 14 | 3,506 | 3,303 | 203 | |
| Veterans' Administration..... | 174,438 | 174,657 | | 219 | 64,078 | 61,930 | 2,148 | |
| Virgin Islands Corporation..... | 605 | 567 | 38 | | 79 | 80 | | \$1 |
| Total, excluding Department of Defense..... | 1,237,811 | 1,236,178 | 2,832 | 1,199 | 526,087 | 519,546 | 11,455 | 4,914 |
| Net increase, excluding Department of Defense..... | | | 1,633 | | | | 6,541 | |
| Department of Defense: | | | | | | | | |
| Office of the Secretary of Defense..... | 1,609 | 1,600 | 9 | | 1,058 | 1,015 | 43 | |
| Department of the Army..... | 405,652 | 405,628 | 24 | | 164,180 | 156,193 | 7,987 | |
| Department of the Navy..... | 363,662 | 364,137 | | 475 | 162,626 | 154,966 | 7,660 | |
| Department of the Air Force..... | 313,033 | 311,526 | 1,507 | | 128,607 | 121,948 | 6,659 | |
| Total, Department of Defense..... | 1,083,956 | 1,082,891 | 1,540 | 475 | 456,471 | 434,122 | 22,349 | |
| Net increase, Department of Defense..... | | | 1,065 | | | | 22,349 | |
| Grand total, including Department of Defense..... | 2,321,767 | 2,319,069 | 4,732 | 1,674 | 982,558 | 953,668 | 33,804 | 4,914 |
| Net increase, including Department of Defense..... | | | 2,698 | | | | 28,890 | |

⁵ Includes 6 employees of the Federal Facilities Corporation.

TABLE II.—Federal personnel inside continental United States employed by the executive agencies during February 1958, and comparison with January 1958

| Department or agency | February | January | Increase | Decrease | Department or agency | February | January | Increase | Decrease |
|--|----------|---------|----------|----------|---|----------|---------|----------|----------|
| Executive departments (except Department of Defense): | | | | | Independent agencies: | | | | |
| Agriculture..... | 83,045 | 83,805 | | 760 | Airways Modernization Board..... | 56 | 49 | 7 | |
| Commerce ¹ | 48,487 | 48,026 | 461 | | Alexander Hamilton Bicentennial Commission..... | | | | |
| Health, Education, and Welfare..... | 51,858 | 51,606 | 252 | | American Battle Monuments Commission..... | 21 | 21 | | |
| Interior..... | 45,884 | 45,791 | 93 | | Atomic Energy Commission..... | 6,803 | 6,760 | 43 | |
| Justice..... | 30,049 | 29,998 | 51 | | Board of Governors of the Federal Reserve System..... | 582 | 579 | 3 | |
| Labor..... | 5,662 | 5,659 | 3 | | Boston National Historic Sites Commission..... | 4 | 4 | | |
| Post Office..... | 532,827 | 532,874 | | 47 | Civil Aeronautics Board..... | 672 | 668 | 4 | |
| State ² | 8,547 | 8,534 | 13 | | Civil Service Commission..... | 4,084 | 4,090 | 6 | |
| Treasury..... | 79,088 | 77,502 | 1,586 | | Commission of Fine Arts..... | 4 | 4 | | |
| Executive Office of the President: | | | | | Corregidor-Bataan Memorial Commission..... | | | | |
| White House Office..... | 408 | 407 | 1 | | Export-Import Bank of Washington..... | 207 | 206 | 1 | |
| Bureau of the Budget..... | 438 | 437 | 1 | | Farm Credit Administration..... | 863 | 865 | 2 | |
| Council of Economic Advisors..... | 29 | 32 | | 3 | Federal Civil Defense Administration..... | 1,295 | 1,295 | | |
| Executive Mansion and Grounds..... | 71 | 71 | | | Federal Coal Mine Safety Board of Review..... | 7 | 8 | | 3 |
| National Security Council ⁴ | 64 | 64 | | | Federal Communications Commission..... | 1,177 | 1,180 | | 1 |
| Office of Defense Mobilization..... | 247 | 243 | 4 | | | | | | |
| President's Advisory Committee on Government Organization..... | 6 | 6 | | | | | | | |

¹ February figure includes 179 seamen on the rolls of the Maritime Administration.
² February figure includes 1,758 employees of the International Cooperation Administration as compared with 1,763 in January.

³ Revised on the basis of later information.
⁴ Exclusive of personnel of the Central Intelligence Agency.

TABLE II.—Federal personnel inside continental United States employed by the executive agencies during February 1958, and comparison with January 1958—Continued

| Department or agency | February | January | Increase | Decrease | Department or agency | February | January | Increase | Decrease |
|--|----------|---------|----------|----------|---|-----------|-----------|----------|----------|
| Independent agencies—Continued | | | | | Independent agencies—Continued | | | | |
| Federal Deposit Insurance Corporation | 1,193 | 1,190 | 3 | ----- | Small Business Administration | 1,309 | 1,289 | 20 | ----- |
| Federal Home Loan Bank Board | 816 | 796 | 20 | ----- | Smithsonian Institution | 899 | 847 | 22 | ----- |
| Federal Mediation and Conciliation Service | 324 | 319 | 5 | ----- | Soldiers' Home | 998 | 1,007 | 9 | ----- |
| Federal Power Commission | 706 | 708 | 2 | ----- | Subversive Activities Control Board | 33 | 33 | ----- | ----- |
| Federal Trade Commission | 734 | 727 | 7 | ----- | Tariff Commission | 217 | 216 | 1 | ----- |
| Foreign Claims Settlement Commission | 89 | 93 | 4 | ----- | Tax Court of the United States | 147 | 150 | 3 | ----- |
| General Accounting Office | 5,317 | 5,326 | 9 | ----- | Tennessee Valley Authority | 14,649 | 14,674 | 25 | ----- |
| General Services Administration ¹ | 27,463 | 27,465 | 2 | ----- | Theodore Roosevelt Centennial Commission | 9 | 11 | 2 | ----- |
| Government Contract Committee | 25 | 24 | 1 | ----- | United States Information Agency | 2,621 | 2,646 | 25 | ----- |
| Government Printing Office | 6,370 | 6,410 | 40 | ----- | Veterans' Administration | 173,228 | 173,438 | 210 | ----- |
| Housing and Home Finance Agency | 9,524 | 9,513 | 11 | ----- | Virgin Islands Corporation | | | | ----- |
| Indian Claims Commission | 17 | 17 | ----- | ----- | | | | | ----- |
| Interstate Commerce Commission | 2,261 | 2,253 | 8 | ----- | Total, excluding Department of Defense | 1,171,567 | 1,170,013 | 2,715 | 1,161 |
| Jamestown-Williamsburg-Yorktown Celebration Commission | 3 | 3 | ----- | ----- | Net increase, excluding Department of Defense | | | 1,554 | ----- |
| National Advisory Committee for Aeronautics | 7,698 | 7,696 | 2 | ----- | | | | | ----- |
| National Capital Housing Authority | 269 | 268 | 1 | ----- | Department of Defense: | | | | |
| National Capital Planning Commission | 32 | 31 | 1 | ----- | Office of the Secretary of Defense | 1,566 | 1,558 | 8 | ----- |
| National Gallery of Art | 331 | 327 | 4 | ----- | Department of the Army | 345,601 | 345,243 | 259 | ----- |
| National Labor Relations Board | 1,105 | 1,106 | 1 | ----- | Department of the Navy | 331,980 | 332,446 | 466 | ----- |
| National Mediation Board | 113 | 102 | 11 | ----- | Department of the Air Force | 274,500 | 273,064 | 1,436 | ----- |
| National Science Foundation | 339 | 298 | 41 | ----- | Total, Department of Defense | 953,647 | 952,410 | 1,703 | 466 |
| Panama Canal | 404 | 404 | ----- | ----- | Net increase, Department of Defense | | | 1,237 | ----- |
| Railroad Retirement Board | 2,546 | 2,522 | 24 | ----- | | | | | ----- |
| Renegotiation Board | 333 | 332 | 1 | ----- | Grand total, including Department of Defense | 2,125,214 | 2,122,423 | 4,418 | 1,627 |
| St. Lawrence Seaway Development Corporation | 39 | 37 | 2 | ----- | Net increase, including Department of Defense | | | 2,791 | ----- |
| Securities and Exchange Commission | 845 | 838 | 7 | ----- | | | | | ----- |
| Selective Service System | 6,104 | 6,111 | 7 | ----- | | | | | ----- |

¹ Includes 6 employees of the Federal Facilities Corporation.

TABLE III.—Federal personnel outside continental United States employed by the executive agencies during February 1958, and comparison with January 1958

| Department or agency | February | January | Increase | Decrease | Department or agency | February | January | Increase | Decrease |
|--|----------|---------|----------|----------|---|----------|---------|----------|----------|
| Executive departments (except Department of Defense): | | | | | Independent agencies—Continued | | | | |
| Agriculture | 1,421 | 1,444 | 23 | ----- | Selective Service System | 187 | 185 | 2 | ----- |
| Commerce | 4,100 | 4,161 | 61 | ----- | Small Business Administration | 6 | 21 | 1 | ----- |
| Health, Education, and Welfare | 1,762 | 1,758 | 4 | ----- | Smithsonian Institution | 20 | 6 | ----- | ----- |
| Interior | 3,015 | 3,071 | 56 | ----- | United States Information Agency | 8,354 | 8,343 | 11 | ----- |
| Justice | 529 | 525 | 4 | ----- | Veterans' Administration | 1,210 | 1,219 | 9 | ----- |
| Labor | 160 | 148 | 12 | ----- | Virgin Islands Corporation | 605 | 567 | 38 | ----- |
| Post Office | 2,536 | 2,547 | 11 | ----- | Total, excluding Department of Defense | 66,244 | 66,165 | 250 | 171 |
| State ¹ | 25,950 | 25,831 | 119 | ----- | Net increase, excluding Department of Defense | | | 79 | ----- |
| Treasury | 1,015 | 996 | 19 | ----- | | | | | ----- |
| Independent agencies: | | | | | Department of Defense: | | | | |
| American Battle Monuments Commission | 509 | 519 | 10 | ----- | Office of the Secretary of Defense | 43 | 42 | 1 | ----- |
| Atomic Energy Commission | 28 | 27 | 1 | ----- | Department of the Army | 60,051 | 60,286 | 235 | ----- |
| Civil Aeronautics Board | 4 | 4 | ----- | ----- | Department of the Navy | 31,682 | 31,691 | 9 | ----- |
| Civil Service Commission | 18 | 17 | 1 | ----- | Department of the Air Force | 38,533 | 38,462 | 71 | ----- |
| Farm Credit Administration | 10 | 10 | ----- | ----- | Total, Department of Defense | 130,309 | 130,451 | 72 | 244 |
| Federal Communications Commission | 24 | 24 | ----- | ----- | Net decrease, Department of Defense | | | 172 | ----- |
| Federal Deposit Insurance Corporation | 1 | 1 | ----- | ----- | | | | | ----- |
| General Accounting Office | 74 | 73 | 1 | ----- | Grand total, including Department of Defense | 196,553 | 196,646 | 322 | 415 |
| General Services Administration | 59 | 59 | ----- | ----- | Net decrease, including Department of Defense | | | 93 | ----- |
| Housing and Home Finance Agency | 176 | 175 | 1 | ----- | | | | | ----- |
| National Labor Relations Board | 18 | 18 | ----- | ----- | | | | | ----- |
| Panama Canal | 14,453 | 14,416 | 37 | ----- | | | | | ----- |

¹ February figure includes 10,503 employees of the International Cooperation Administration as compared with 10,413 in January. These ICA figures include employees who are paid from foreign currencies deposited by foreign governments in a

trust fund for this purpose. The February figure includes 2,276 of these trust fund employees and the January figure includes 2,271.

² Revised on the basis of later information.

TABLE IV.—Industrial employees of the Federal Government inside and outside continental United States employed by the executive agencies during February 1958, and comparison with January 1958

| Department or agency | February | January | Increase | Decrease | Department or agency | February | January | Increase | Decrease |
|--|----------|---------|----------|----------|---|-----------|-----------|----------|----------|
| Executive departments (except Department of Defense): | | | | | Department of Defense: | | | | |
| Agriculture | 3,151 | 3,132 | 19 | ----- | Department of the Army: | | | | |
| Commerce | 2,525 | 2,446 | 79 | ----- | Inside continental United States | 1,132,775 | 1,132,704 | 71 | ----- |
| Interior | 7,045 | 6,864 | 181 | ----- | Outside continental United States | 1,9,925 | 1,9,962 | 37 | ----- |
| Treasury | 5,725 | 5,714 | 11 | ----- | Department of the Navy: | | | | |
| Independent agencies: | | | | | Inside continental United States | 203,578 | 203,578 | ----- | ----- |
| Atomic Energy Commission | 148 | 151 | 3 | ----- | Outside continental United States | 5,219 | 5,199 | 20 | ----- |
| Federal Communications Commission | 14 | 14 | ----- | ----- | Department of the Air Force: | | | | |
| General Services Administration | 1,084 | 1,084 | ----- | ----- | Inside continental United States | 155,407 | 154,626 | 781 | ----- |
| Government Printing Office | 6,370 | 6,410 | 40 | ----- | Outside continental United States | 5,636 | 5,600 | 36 | ----- |
| National Advisory Committee for Aeronautics | 7,698 | 7,696 | 2 | ----- | Total, Department of Defense | 512,540 | 511,669 | 908 | 37 |
| Panama Canal | 7,845 | 7,850 | 5 | ----- | Net increase, Department of Defense | | | 871 | ----- |
| Tennessee Valley Authority | 11,847 | 11,870 | 23 | ----- | | | | | ----- |
| Virgin Islands Corporation | 605 | 567 | 38 | ----- | Grand total, including Department of Defense | 566,597 | 565,467 | 1,238 | 108 |
| Total, excluding Department of Defense | 54,057 | 53,798 | 330 | 71 | Net increase, including Department of Defense | | | 1,130 | ----- |
| Net increase, excluding Department of Defense | | | 259 | ----- | | | | | ----- |

¹ Subject to revision.² Revised on basis of later information.

TABLE V.—Foreign nationals working under United States agencies overseas, excluded from tables I through IV of this report, whose services are provided by contractual agreement between the United States and foreign governments, or because of the nature of their work or the source of funds from which they are paid, as of February 1958 and comparison with January 1958

| Country | Total | | Army | | Navy | | Air Force | |
|---------------------|----------|---------|----------|---------|----------|---------|-----------|---------|
| | February | January | February | January | February | January | February | January |
| Belgium..... | 9 | 8 | | | | | 9 | 8 |
| Denmark..... | 1 | 1 | | | | | 1 | 1 |
| England..... | 5,447 | 5,396 | | | 36 | 36 | 5,411 | 5,360 |
| France..... | 22,905 | 22,667 | 16,265 | 16,210 | | | 6,640 | 6,457 |
| French Morocco..... | 5,212 | 5,251 | 70 | 80 | 865 | 887 | 4,277 | 4,284 |
| Germany..... | 87,626 | 87,316 | 74,486 | 73,946 | 215 | 365 | 12,925 | 13,005 |
| Japan..... | 100,280 | 102,004 | 50,206 | 50,679 | 17,609 | 17,731 | 32,465 | 33,594 |
| Korea..... | 4,691 | 4,748 | 4,691 | 4,748 | | | | |
| Malta..... | 13 | 92 | | | 93 | 92 | | |
| Netherlands..... | 39 | 39 | | | | | 39 | 39 |
| Norway..... | 25 | 25 | | | | | 5 | 25 |
| Trinidad..... | 536 | 543 | | | 536 | 543 | | |
| Total..... | 226,864 | 228,090 | 145,718 | 145,663 | 19,354 | 19,654 | 61,792 | 62,773 |

Table I breaks down the above figures on employment and pay by agencies.

Table II breaks down the above employment figures to show the number inside continental United States by agencies.

Table III breaks down the above employment figures to show the number outside continental United States by agencies.

Table IV breaks down the above employment figures to show the number in industrial-type activities by agencies.

Table V shows foreign nationals by agencies not included in table I, II, III, and IV.

STATEMENT BY SENATOR HARRY F. BYRD, CHAIRMAN OF THE JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES, IN CONNECTION WITH THE MONTHLY REPORT ON FEDERAL PERSONNEL AND PAY FOR FEBRUARY 1958

PAYROLL

The regular monthly Federal civilian payroll in January 1958 came within 2 percent of \$1 billion, and when United States pay to foreign nationals not on regular rolls is added the total exceeds \$1 billion. This was the highest monthly Federal civilian payroll of all times.

These figures for the month of January, as certified by executive agencies to the Joint Committee on Reduction of Nonessential Federal Expenditures, showed the payroll for regular civilian employees totaled \$982,558,000, and United States payroll funds for the foreign nationals working under Federal agencies abroad, but not on the regular rolls, totaled \$24,122,000.

Payroll for the first 7 months of fiscal year 1958, including United States funds for foreign nationals not on regular rolls totaled \$6.7 billion. This was a monthly average of \$964 million, since the fiscal year started July 1, 1957.

These payroll figures by months follow:

| Month | Payroll (In millions) | | Total |
|--------------------|--------------------------|--|-------|
| | Regular | Foreign nationals not on regular rolls (United States funds) | |
| July..... | \$964 | \$18 | \$982 |
| August..... | 936 | 18 | 954 |
| September..... | 895 | 18 | 913 |
| October..... | 959 | 27 | 986 |
| November..... | 898 | 29 | 927 |
| December..... | 954 | 25 | 979 |
| January 1958..... | 983 | 24 | 1,007 |
| 7-month total..... | 6,588 | 158 | 6,746 |

EMPLOYEES

Payroll figures in the agency reports are necessarily a month later than employment

figures in order that actual expenditures may be reported.

Executive agencies of the Federal Government reported civilian employment in the month of February totaling 2,321,767. This was a net increase of 2,698 as compared with employment reported for the preceding month of January.

Civilian employment reported by the executive agencies of the Federal Government, by months in fiscal year 1958, which began July 1, 1957, follows:

| Month | Employment | Increase | Decrease |
|-------------------|------------|----------|----------|
| July..... | 2,407,651 | | |
| August..... | 2,400,082 | 6,337 | 7,569 |
| September..... | 2,366,308 | | 33,684 |
| October..... | 2,339,994 | | 26,404 |
| November..... | 2,330,107 | | 9,887 |
| December..... | 2,324,568 | | 5,539 |
| January 1958..... | 2,319,069 | | 5,499 |
| February..... | 2,321,767 | 2,698 | |

Total Federal employment in civilian agencies during the month of February was 1,237,811, an increase of 1,633 as compared with the January total of 1,236,178. Total civilian employment in the military agencies in February was 1,083,956, an increase of 1,065 as compared with 1,082,891 in January.

Civilian agencies reporting the larger increases were Treasury Department with 1,605, Commerce Department with 400, and the Department of Health, Education, and Welfare with 256. Civilian agencies reporting the larger decreases were Agriculture Department with 783 and Veterans Administration with 219.

In the Department of Defense increases in civilian employment were reported by the Department of the Air Force with 1,507 and the Department of the Army with 24. The Department of the Navy reported a decrease of 475.

Inside continental United States civilian employment increased 2,791 and outside continental United States civilian employment decreased 93. Industrial employment by Federal agencies in February totaled 566,597, an increase of 1,130.

These figures are from reports certified by the agencies as compiled by the Joint Committee on Reduction of Nonessential Federal Expenditures.

FOREIGN NATIONALS

The total of 2,321,767 civilian employees certified to the committee by Federal agencies in their regular monthly personnel reports includes some foreign nationals employed in United States Government activities abroad, but in addition to these there were 226,864 foreign nationals working for United States military agencies during February who were not counted in the usual

personnel reports. The number in January was 228,090. A breakdown of this employment for February follows:

| Country | Total | Army | Navy | Air Force |
|---------------------|---------|---------|--------|-----------|
| Belgium..... | 9 | | | 9 |
| Denmark..... | 1 | | | 1 |
| England..... | 5,447 | | 36 | 5,411 |
| France..... | 22,905 | 16,265 | | 6,640 |
| French Morocco..... | 5,212 | 70 | | 4,277 |
| Germany..... | 87,626 | 74,486 | | 12,925 |
| Japan..... | 100,280 | 50,206 | 17,609 | 32,465 |
| Korea..... | 4,691 | 4,691 | | |
| Malta..... | 93 | | 93 | |
| Netherlands..... | 39 | | | 39 |
| Norway..... | 25 | | | 25 |
| Trinidad..... | 536 | | | 536 |
| Total..... | 226,864 | 145,718 | 19,354 | 61,792 |

STATEMENT OF THE CHAIRMAN OF THE UNITED STATES ATOMIC ENERGY COMMISSION BEFORE THE SUBCOMMITTEE ON DISARMAMENT

Mr. BYRD. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a very able statement made by Chairman Lewis L. Strauss of the United States Atomic Energy Commission before the Subcommittee on Disarmament, on April 17.

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

STATEMENT BY CHAIRMAN LEWIS L. STRAUSS, UNITED STATES ATOMIC ENERGY COMMISSION, BEFORE SUBCOMMITTEE ON DISARMAMENT, UNITED STATES SENATE, APRIL 17, 1958

Mr. Chairman, I am happy to be here today in response to your invitation to testify before your committee. On May 31, 1957, you asked that I express my opinion on certain matters of interest to your committee and to do so on an unclassified basis if possible. I replied to these questions by letter in the light of the then current situation and offered to testify before your committee if and when you so desired.

It is your intention, I understand, that to the extent possible the testimony before your subcommittee should be in open session. This seems to me very much in the public interest. I have therefore prepared a statement which does not contain data which is restricted by the Atomic Energy Act. I am, of course, available at your convenience to discuss classified matters in executive session. With your permission therefore, I will present my statement, as follows:

Both as a citizen and as a Government official, I am aware that scientific advances in weaponry have increased, and are increasing, the ability of an aggressor nation to launch

an attack which could be extremely damaging to the United States. Because we are a democracy, we are cast in the role of defenders and cede to totalitarian governments the role of aggressors. There is an enormous distinction in this statement of simple fact. The targets of the attacker are large (i. e., our cities). The targets of the defenders are small (i. e., enemy planes and missiles). The weapons of the defender therefore need to be much more sophisticated in design than those of the aggressor. They must be both more accurate and more numerous than the weapons of the aggressor and, since many would be used over our own or friendly territory, they must be designed to perform their function and to produce the absolute minimum of radioactive debris.

We do not desire to turn back the clock on scientific developments already achieved, and, practically, we cannot. Nor can further Soviet scientific progress be arrested. Consequently, it must be the hope of all thoughtful men that a reliable and effective system can be negotiated for controlling the world's armament—a system which can reduce and finally eliminate the possibility of a third world war. For such a war, unless it can be prevented, will produce casualties in numbers that have been variously estimated, but there is no disagreement that they will be tragically great.

I am convinced that any disarmament agreement, if it is to have a chance of reducing the possibility of disastrous war, must apply equitably to its parties. It must not be such as to impair the defensive and retaliatory power of ourselves and our allies without a convincingly compensating restriction on an aggressor's ability to attack.

To succeed, it must be a plan developed with an honest intent to avoid possible future aggression. History furnishes too many examples of disarmament attempts in the past which have been honored by one power and not the other, and so have resulted in an imbalance of international power. Thus, situations have been produced where the violator has made his attack when he believed the time right and the other side sufficiently weakened and unprepared.

All of us would like to have evidence that the Soviets desire to go forward rapidly and in parallel. Other than words, I am aware of no such evidence. In fact, the solid evidence that is available points the other way—to agreements violated for Soviet advantage. The course of history from the end of World War II to the present moment affords a long record of false propaganda and the use of force to achieve unjust ends. For example, we were accused of using germ warfare in Korea. Indeed, I am told that in many parts of the world this perversion of the truth still remains anchored in the minds of people. But that is only one example of continuous past propaganda to which has been added the latest Russian announcement concerning a cessation of testing. This would apparently be without guaranty, and it followed an extraordinarily elaborate series of tests and embodied a proviso that they could resume tests at their discretion.

We need only remember the subjugation of Eastern European nations, of North Korea, and of Hungary to make us look at our future course with great circumspection. Soviet unwillingness to meet with the Disarmament Subcommittee of the United Nations ought to cast some doubt in our minds upon the sincerity of their expressed desire to reach a disarmament agreement. But the peoples of democracies have short memories, because we are always the victims of our own wishful thinking. We want to live in a peaceful world and we like to assume that this is a goal of everyone else as well.

This, then, leaves the United States and the Free World in a difficult position. We intend to make every effort to achieve progress along the road to disarmament. In the interest of humanity, we regularly participate

in negotiation which may lead to such a development. We realize, however, that the initial steps along that road must not be such, that if the agreement is violated, we would find ourselves in a vulnerable position, for then the possibility of war would be enhanced and the threat more disastrous.

With this as a background, I would now pass to certain specific aspects of nuclear disarmament, commenting more fully on these. In these further comments, I would like to explain:

(a) Why, under current conditions, the United States continues nuclear tests.

(b) Why we have contended that to stop the use in weapons of further production of fissionable materials (and the initiation of a program to reduce the existing nuclear weapon stockpiles) ought to be a part of the first step of any disarmament plan.

(c) Whether, in fact, a monitoring system can be developed to insure that unauthorized nuclear tests are not conducted without convincing detection (including identification).

(d) Whether a satisfactory monitoring system can be developed to insure that there is no violation of an agreement against the use of new production for weapons purposes.

Let us take first the matter of why, under current conditions, the United States continues to test.

(a) The essentiality of nuclear weapons in the defense structure of the United States and its allies is established. Many of our friends live along the periphery of a land mass dominated by possible aggressors. The military forces of the Free World, spread over long exterior lines, cannot defend themselves without the aid of nuclear weapons against a possible Communist aggressor who can move rapidly and concentrate at any point on the periphery. Turning from possible local aggression to defense of the United States against surprise attack, nuclear weapons constitute the principal defensive military asset of our arsenal.

(b) Yet, we are now, as you know, in a transition period insofar as nuclear-weapon design is concerned. No longer are weapons systems such that nuclear warheads can be delivered only by large aircraft which require substantial time to reach their objective. Instead, systems are technically possible which permit very rapid delivery of weapons of various sizes and yields and on a major scale. The Soviets have demonstrated that they have, or can have in the future, an ability to deliver a very heavy attack. Our position is to be sure that such an aggression would be deterred by the assurance of retaliation or blunted if it came.

(c) Therefore, in defense of ourselves and our allies, we cannot place our dependence upon obsolete and obsolescent weapons systems or upon nuclear warheads of earlier designs. New systems, to be truly effective, must be light, rugged, and instantly ready. If all types of aggression are to be avoided or countered, the systems and their warheads must be capable of use in all locales and in all environments.

(d) We have made substantial strides in developing the weapons systems we need. Yet with regard to some, particularly those of extremely severe design characteristics, we will need further development and test. This is particularly true with regard to weapons of greatly reduced radioactive fallout. In the interest of civil populations, we are convinced that such weapons are a necessity in all types for both strategic and tactical use. We know now how to make certain of the designs we need, but by no means all. As I have indicated, it will require more development and more tests before we will have this comprehensive arsenal.

(e) The interruption of testing will directly affect our development for there is no substitute for tests in determining whether a nuclear weapon or even a conventional weapon will perform as anticipated.

Here, may I underline one point in regard to cessation of testing. A cessation or moratorium on testing will not in itself be a step toward reducing existing armaments. On the contrary, in our case, it is a step which will interrupt the development of defensive systems, which we know can be developed in time and which we need. It is a very fateful step, therefore, and one which I have believed should only be taken in conjunction with other and more significant disarmament arrangements. It is a step to be taken only when we can have assurance acceptable to prudent men, that the Soviet will not violate the agreement. It is a step to be taken, therefore, only if both parties are willing to allow the inspection necessary to reduce to the utmost the possibility of clandestine violation. And I repeat that it is a step which when taken will freeze our defensive research.

I would like to turn now to the second of the specific matters—why we have contended to date that any first-step disarmament proposal should include a cut-off of the use of further production of fissionable material in weapons, and the initiation of an orderly, gradual transfer of earlier-produced fissionable materials to peaceful purposes:

(a) I believe the answer to this question follows naturally from my earlier comment relative to a test cessation or moratorium. As I have stated on other occasions, a test cessation as such does nothing to reduce the existing weapon stockpiles. Furthermore, and importantly, it does nothing to curtail the improvement of an aggressor's delivery systems. A future aggressor can go right ahead perfecting the missile on which the warhead rides and the reliability and guidance of this device.

(b) On the other hand, a new positive step in disarmament would be initiated by the cessation of the buildup of the weapons stockpiles. If coupled with the initiation of the return to other uses of already stockpiled fissionable material, it would be the beginning, though only the beginning, of a restriction on nuclear armaments. It would be a recognition by both the Soviets and ourselves that we were willing to reverse the trend of building ever larger nuclear weapons stockpiles. It could be a real and substantial start toward disarmament.

As for the third matter, I would like to comment briefly on whether a monitoring system could be developed to insure that unauthorized tests, if conducted, were detected, identified, and proven as nuclear tests of a specific nation. I understand that you have had executive testimony in this regard. Perhaps I can make certain remarks in this open session which may be helpful to wider public understanding of this difficult and most important problem.

(a) I believe that with regard to tests conducted on, above, or under the surface in the territory of a specific nation, a properly designed monitoring system can detect those of larger yield. The monitoring system required, however, if that yield of detectability is to extend down to smaller shots, will be complex. In any land mass such as the United States or Soviet Russia, it would require a large number of stations, sited and operated as the observers deem necessary. More importantly, too, if suspected detonations are to be identified as nuclear detonations and proven as such, the right of immediate access to any suspected area must be allowed. Even then, there will be no assurance that all nuclear detonations can be identified as such. It is my understanding that even with a very elaborate inspection system including the right to visit suspected underground explosion sites, there still remains a real possibility that successful clandestine tests sufficiently large in yield to contribute materially to a weapons-development program could be carried out by a determined violator.

(b) Then, too, if a Nation tested in an area where a proper detection net was not installed, the proving of the violation might be most difficult if not impossible.

As a final matter, I would like to comment on the problem of establishing a satisfactory system of safeguards for monitoring an agreement to devote all future production of fissionable materials to peaceful uses.

(a) I know you have received detail comments in this regard from Dr. Spofford G. English of the AEC staff. He has pointed out that a system of accountability and physical security for inspection and control of materials, if made in a known large production facility will require, for example, an inspection force of approximately 500 men for the case of a plutonium production plant consisting of a number of large reactors and their associated fuel fabrication and chemical processing facilities. The manpower required will vary somewhat depending on the size and character of each. It is believed, however, that such a system will give a high degree of assurance of suspecting diversions of as little as 1 percent of the plant's throughput over a period of a year. The total force required for inspecting a country would depend on the total number and kind of facilities to be inspected and would have to include teams for inspecting to assure that no clandestine plants were in operation. It must be borne in mind that no system we can think of can guarantee 100 percent assurance against diversion.

(b) Here, as in a test moratorium, any inspection system, if to have any chance of being effective, must permit the monitors to visit freely and rapidly any area they suspect. It must permit the monitors entry into, understanding of, and continual observance where necessary of the plants and their operation. Without such access, clandestine and undetected operation of production plants could go forward.

(c) In summary, then, I believe a monitoring system capable of achieving a reasonable degree of success is a possibility. It would require a major outlay of means but that is of little consequence where the stakes are so great. It would require that both parties permit full access to all plants and personnel concerned, and rapid and immediate access to areas wherever the party could engage in the production of material.

It is my understanding that you desired the opening testimony to be as brief as possible in the interest of allowing time for questioning and discussion. I have therefore directed this statement to the relationship of nuclear restrictions to an over-all disarmament plan and to certain strongly-held ideas of my own. I am available and will continue to be available to questions in open or closed session in further elaboration of any points of concern to you.

REGULATION OF EXPORTS

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1456, S. 3093.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 3093) to extend for an additional period of 2 years the authority to regulate exports contained in the Export Control Act of 1949.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. PAYNE in the chair). Without objection, it is so ordered.

PRINTING OF COMMITTEE PRINT "RECRUITING AND TRAINING FOR THE FOREIGN SERVICE OF THE UNITED STATES" AS A SENATE DOCUMENT

The PRESIDING OFFICER. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which will be stated.

The LEGISLATIVE CLERK. A resolution (S. Res. 281) authorizing the printing of the committee print "Recruiting and Training for the Foreign Service of the United States" as a Senate document.

REGULATION OF EXPORTS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate resume the consideration of Calendar No. 1456, Senate bill 3093, to extend for an additional period of 2 years the authority to regulate exports contained in the Export Control Act of 1949.

The PRESIDING OFFICER. Is there objection?

Mr. JOHNSON of Texas. Mr. President, the Export Control Act of 1949 authorizes the President to control exports from the United States on the basis of standards relating to national security, foreign policy, and domestic shortages. This authority is, and has for some time been, delegated to the Secretary of Commerce, who exercises it in consultation with other interested agencies.

Under present law, this authority will expire on June 30 of this year. Senate bill 3093 would extend the authority to June 30, 1960. This continued authority would, however, continue to be subject to the power of the Congress to terminate the act by concurrent resolution.

This extension was recommended by the President in his budget message and in his economic report. On January 20, 1958, the Secretary of Commerce forwarded a letter of justification, together with a proposed bill which would accomplish this result. Favorable reports were received from the Department of State, the Department of Defense, and the Treasury Department. The Treasury Department reported no objection to the proposed extension. Hearings were held on March 13, and favorable testimony was received from the Department of State and the Department of Commerce. No objection to this proposed legislation has been made known to the committee.

The Department of Commerce has been reporting regularly, every quarter, to the President and to the Congress, on its operations under the act, in accordance with the law. The most recent report—that for the fourth quarter of 1957—contains a review of the United

States export controls since they were first authorized on July 2, 1940.

The controls now being exercised by the Department of Commerce are based generally on either security or short supply. The security controls prevent the export of strategic commodities from the United States to the Soviet bloc and prohibit exports from the United States to Communist Korea. A continuous review of these controls is carried on; and they are revised from time to time, depending on the circumstances existing both here and abroad. For example, during 1957, the restrictions on exports to Poland were somewhat relaxed, in the light of this country's policy of increased trade with Poland.

Strategic commodities are still, however, carefully controlled.

Short-supply controls are now applied to only half a dozen commodity groups; and even in those cases the controls are designed primarily to keep the Commerce Department currently informed of the amount of exports, rather than to restrict the quantities.

I am informed that Senate bill 3093 was unanimously reported by the committee. Inasmuch as the authority will expire on June 30, I hope the Senate will take favorable action on the bill.

Mr. JAVITS. Mr. President, I was going to ask the distinguished Senator from Texas a question about the bill, but I find that the question is answered by the bill itself. Therefore, I do not need to ask the question.

Mr. President, obviously the bill provides for an extension for 2 years, without any other amendment of the Export Control Act.

The bill is an extremely valuable piece of proposed legislation. I was in the House of Representatives when it was drafted in the Committee on Foreign Affairs. The bill enables the United States to have flexibility to engage in this kind of restriction, and at the same time to make the needed agreements with our allies and the rest of the world, as the world situation allows.

I hope very much that the bill will be passed.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas?

There being no objection, the Senate resumed the consideration of the bill (S. 3093) to extend for an additional period of 2 years the authority to regulate exports contained in the Export Control Act of 1949.

The PRESIDING OFFICER. The bill is open to amendment.

If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 3093) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 12 of the Export Control Act of 1949 (63 Stat. 7), as amended, is amended by striking out "June 30, 1958" and inserting in lieu thereof "June 30, 1960."

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its

reading clerks, announced that the House had agreed to the amendments of the Senate to each of the following bills of the House:

H. R. 8437. An act to amend the act of August 3, 1956, to authorize certain personnel of the Armed Forces to accept and wear decorations conferred by the Philippine Government; and

H. R. 9240. An act to revise certain provisions of law relating to the advertisements of mail routes, and for other purposes.

The message also announced that the House insisted upon its amendments to the bill (S. 72) to increase annuities payable to certain annuitants from the civil service retirement and disability fund, and for other purposes, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MURRAY, Mr. MORRISON, Mr. DAVIS of Tennessee, Mr. REES of Kansas, and Mr. CORBETT 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, and they were signed by the Vice President:

S. 864. An act to provide for the transfer of certain lands to the State of Minnesota;

S. 1118. An act to facilitate the administration and development of the Whitman National Monument, in the State of Washington, by authorizing the acquisition of additional land for the monument, and for other purposes;

S. 2037. An act to amend the act of June 28, 1946, authorizing the performance of necessary protection work between the Yuma project and Boulder Dam by the Bureau of Reclamation; and

S. 3120. An act to amend the acreage allotment and marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended, to provide additional allotments for farms in the Tulelake area, Modoc and Siskiyou Counties, Calif., for the 1958 and 1959 crops of wheat, and for other purposes.

THE 1958 ANNUAL MEETING OF THE PRESIDENT'S COMMITTEE ON EMPLOYMENT OF THE PHYSICALLY HANDICAPPED

Mr. WILEY. Mr. President, in a little over 2 weeks there will convene in our Nation's Capital the 1958 annual meeting of the President's Committee on Employment of the Physically Handicapped. I have been pleased to receive details on this meeting from Gen. Melvin J. Maas, the able Chairman of the President's Committee.

Down through the years, it has been my pleasure on many occasions to salute the accomplishments of the President's Committee, as well as to point up the continuing problems which it faces in seeking its high objectives.

WISCONSIN YOUNGSTER TAKES SECOND PLACE IN ESSAY CONTEST

One particular phase which it has been my pleasure to bring further to public attention is the splendid nationwide school essay contest sponsored by the Committee.

This year's second place national award winner, who wrote on the subject *How Hiring the Handicapped Helps You and Me*, is young Mr. Wayne Stanley Gardner, of rural route 1, in Granton, in my State. To Wayne, to his teachers, and to his fellow students at Granton High School, I convey my congratulations, not only on this particular achievement, but also on their participation.

But my principal purpose in speaking today is not simply to extend well-deserved congratulations to General Maas and his associates in all the activities of the Committee. My main goal is to point up very frankly the challenge still ahead.

I know that at the annual meeting to be held at the departmental auditorium, the experts will present many rewarding statements on each of their respective, assigned fields. I am delighted that so outstanding an array of public officials and leading private citizens has been assembled for this purpose by the President's Committee. I congratulate each of these leaders on their participation.

MUCH REMAINS TO BE DONE

For my own part, today I simply wish to state that, despite all the wonderful progress which has been made, all thinking people will agree that we have a long, long way yet to go before attaining proper and full employment of the physically handicapped.

I cannot commend too highly the business and labor organizations throughout the land—the United States Chamber of Commerce, the National Association of Manufacturers, and the AFL-CIO—which have enabled us to achieve what we have already attained. Just recently, at Marquette University, there was held an important meeting which spotlighted much of the fine progress which has been made by labor and management. Yet, the hard fact of the matter is that we cannot afford to be self-content.

CURRENT ECONOMIC DIFFICULTY DOES POSE A PROBLEM

The current economic difficulties facing our Nation do pose a problem to both many able-bodied and many handicapped workers. Let us keep this difficulty in proper perspective. Let us not distort it or magnify it.

I am glad to say that the Bureau of Employment Statistics shows that actually, while placements of the handicapped during, for instance, the first 2 months of 1958, have fallen, as we might expect, as compared with those for the comparable period in 1957, they have fallen percentage-wise less for the handicapped than for the able-bodied. In other words, the handicapped are still being employed, and in goodly numbers. Their placements are holding up better, percentage-wise, despite the slipback, than even those for the able-bodied.

In any event, let us always remember men's ability—not their disability.

This great, dynamic Nation is going to snap out of its present difficulty. We have had adjustments before. That is the free-enterprise system at work—constantly adjusting to supply and demand.

AMERICA IS GROWING VITALLY

This Nation is constantly growing. As our very competent Secretary of Labor, Jim Mitchell, has stated, in the next 7 years alone, we are going to need as many as 10 million more workers in our labor force. Already our labor force is over the 70-million mark. Our job is to use both the able bodied and the handicapped in that labor force. But we cannot, as I have said, be self-satisfied.

BACKLOG OF UNEMPLOYED HANDICAPPED

We do have a considerable backlog of handicapped who have not yet been employed. And each year, many injuries unfortunately add to the total.

On this point, I was most interested to read the well-documented testimony before the House Appropriations Subcommittee which heard from Miss Mary E. Switzer, the hard-working Director of the Federal Office of Vocational Rehabilitation.

On her particular phase of this problem, she pointed out the welcome fact that the total number of disabled people who have been served publicly has increased to 238,000. And last year, the total number of persons rehabilitated into useful employment by public rehabilitation agencies reached a record high of 71,679.

As much as we rejoice in that figure, the fact is, unfortunately, that it is still only a small fraction of the vast number of folks who must still be rehabilitated.

On page 275 of the hearing, there was inserted a table showing the list of disabled persons regarded as in need of vocational rehabilitation, as compared with the number of those served by various State agencies in the fiscal year 1957. The overall number regarded as in need is an estimated 2 million. The number of disabled persons served was 234,000—meaning that 11.7 percent of the persons in need were actually served.

Translated into figures in my own State, that meant that approximately 45,000 are in need. Yet, even in a far-sighted State with as splendid a rehabilitation program as the Badger State, only 4,974 were served.

These few statistics do not tell the full story, for much is done by the handicapped all by themselves and on a private basis.

In any event, obviously there are budget limitations at Federal and State levels. We cannot always do as much as we would want to do. Yet, I submit that we can, and should, do still more.

In this age of technology, we cannot afford to allow to lie fallow the talents and abilities of a single human being who can contribute to our national strength. Hiring the handicapped is good national policy. It is good business. It is good for tax-revenue purposes. From a human standpoint, we cannot allow individuals to rust, so to speak; to sit around relatively idly, feeling forgotten, neglected, unwanted.

OUR PARTICULAR DEBT TO DISABLED VETERANS

If this observation applies to any group in our population, as it certainly does, then it definitely applies to one particular group, above all, and that is the Nation's disabled ex-servicemen.

In carrying out the Congress' and the Chief Executive's mandate, the Veterans' Administration has done a remarkable job, in cooperation with employers, labor, the great veterans organizations of the United States, and other Federal agencies. Yet, I know of no one who would not agree that still more must be done for our handicapped heroes.

It is not simply a matter of getting any job for a handicapped veteran. To employ a man of great skill and sensitivity at a task far below his potential does not begin to really tap his talents. So, it is important that he be helped to get the right job, at the right salary, with a real sense of dignity, of self-respect, and accomplishment.

This, then, is my theme today: We have come a long way; we can take well-deserved pride in our achievement; but we still have a long way to go.

I send to the desk two items which illustrate my point.

TWO ITEMS ILLUSTRATE PAST, PRESENT, FUTURE

The first is a preview of the excellent program of the 1958 annual meeting of the President's Committee.

The second is an illustration of what I am talking about, particularly in terms of the nation's veterans. It is taken from the publication of one particular group which certainly knows well the needs of our ex-servicemen. I refer to the Military Order of the Purple Heart. On page 13 of the March-April issue of Purple Heart is contained an article describing a wonderful plant which has done a heartwarming employment job—in this instance, for epileptics.

The only point of regret, as we contemplate this grand achievement, is that it—Epi-Hab—is the only such enterprise in the United States for broad-scale use of the abilities of epileptics. Yet, these men and women represent a great reservoir of unused talent and ability.

Epi-Hab is a successful pilot plant. It is a living demonstration of what can be done for them and for others, by them and by others, on a sound, practical, business basis.

As a guide to the future, I send to the desk, therefore, the text of the May 8-9 program and the article from the magazine of the Order of the Purple Heart. I ask unanimous consent that both be printed in the RECORD at this point.

There being no objection, the program and article were ordered to be printed in the RECORD, as follows:

PREVIEW—1958 ANNUAL MEETING, PRESIDENT'S COMMITTEE ON EMPLOYMENT OF THE PHYSICALLY HANDICAPPED, MAY 8 AND 9, 1958, WASHINGTON, D. C.—ADVANCE PROGRAM

THURSDAY MORNING, MAY 8

(Departmental Auditorium, Constitution Avenue, between 12th and 14th Streets, Earl Bunting, Vice Chairman, President's Committee, presiding)

8:30: Registration.

9:30: Musical selections: United States Navy Band.

10: Invocation: Maj. Gen. Charles I. Carpenter, Chief of Chaplains, United States Air Force.

Introductions—Rolcall of States.

Welcome: Maj. Gen. Melvin J. Maas, USMCR retired, Chairman, President's Committee.

Greetings: Hon. Marlon B. Folsom, Secretary of Health, Education, and Welfare; Hon.

James T. O'Connell, Under Secretary of Labor.

11: Address: "Security Through Service," Gen. Alfred M. Gruenther, president, American National Red Cross.

11:30: Introduction of the President: Hon. Sinclair Weeks, Secretary of Commerce.

Address by the President of the United States, "Productive Ability Is Our Future Security."

Presentation of awards by the President: National essay contest winners; President's Trophy for the handicapped American of the year.

12:15: Lunch recess.

THURSDAY AFTERNOON, MAY 8

(Departmental Auditorium)

2: Address: "Importance of Utilization of All Manpower in Space Age," Dr. John P. Hagen, Director, Project Vanguard, Naval Research Laboratory.

2:30: Panel discussion: "How I Did It": Physically handicapped participants: chairman, Hon. Charles E. Potter, United States Senator; members, Robert G. Allman, Philadelphia, Pa.; Mrs. Grace Cleaves, Falls Church, Va.; George Elleson, Bay City, Mich.; Irvin F. Hummon, Jr., M. D., Chicago Ill. Discussion moderator: Mrs. Esther Van Wagener Tufty, Tufty News Service.

Floor discussion.

5: Reception, Washington Room, Hotel Washington, dutch treat.

FRIDAY MORNING, MAY 9

(Departmental Auditorium)

Earl Bunting, Vice Chairman, President's Committee presiding.

8:30: Registration.

9:15: Report of the executive committee, Earl Bunting, vice chairman.

9:30: Address: "Is Second-Injury Legislation the Answer?" L. W. Binger, manager, personnel services, Minnesota Mining & Manufacturing Co.

10: Panel discussion: "Overcoming Basic Obstacles at the Hiring Level," chairman, Edward K. Foster, vice president, Bendix Aviation Corp.; members, "Translating Policy Into Practice," Gerald D. Bradley, personnel manager, the Garrett Corp.; "Realistic Medical Evaluations," John N. Gallivan, M. D., medical director, United Aircraft Corp.; "Dispelling Compensation Myths," Justin Johnson, special projects representative, Hughes Aircraft Co.; "Meeting Seniority Problems," George Brown, assistant to the president, AFL-CIO.

Floor discussion.

FRIDAY AFTERNOON, MAY 9

(Hall of Nations, Hotel Washington)

12:30: International luncheon.

Toastmaster: Hon. Jennings Randolph, assistant to president, Capital Airlines, Inc.

Invocation: Most Reverend Phillip M. Hannan, auxiliary bishop of Washington.

Presentation of awards by the chairman: Citation for meritorious service, Donald V. Wilson, secretary general, International Society for the Welfare of Cripples.

Blinded Veterans Association Employer award, Hon. Sumner Whittier, Administrator of Veterans' Affairs.

Address: "People-to-People and International Understanding," Hon. George V. Allen, Director, United States Information Agency.

Benediction: Rabbi David H. Panitz, Adas Israel Congregation.

2:30: Meeting of State chairmen and secretaries.

4:30: Adjournment.

[From the Purple Heart]

HIRING OF EPILEPTICS PROVES SUCCESSFUL

WASHINGTON, D. C.—An industrial plant manned entirely by epileptics has just been granted a 20 percent reduction in its accident insurance rates because of its outstanding safety record.

The 2-year-old plant, Epi-Hab in Los Angeles, the only one of its kind in the United States, employs about 50 workers with various forms and degrees of epilepsy. It manufactures aircraft parts and electronic components.

In a letter to Epi-Hab, its insurance company wrote:

"In reviewing your accident experience for the past 2 years we find that your safety record far surpasses that of other industries having the same operations as are conducted by your company."

BEGINS AS EXPERIMENT

Epi-Hab began in 1950 as an experiment of Dr. Frank Risch, chief of the epilepsy rehabilitation service of the Veterans Administration Center in Los Angeles. He found that 75 percent of the veterans with epilepsy were unemployed and he wanted to see whether something could be done about it.

Originally, Dr. Risch recalled, Epi-Hab was an "experimental workshop" for epileptic veterans, "to determine what effect steady, gainful employment would have on control of seizures." In addition, he said, "We wanted to rehabilitate the epileptic economically—to prove to him and to the community that the affliction is not a 'taint'."

The experiment worked. Two years ago Epi-Hab came of age as an independent industrial firm, employing both veterans and nonveterans, and vying for business the same as any other private enterprise. In the beginning, however, it did receive grants from the United States Office of Vocational Rehabilitation and from private individuals.

RATES NOT HIGHER

Dr. Risch, who continues to donate his time as the firm's project director, noted some employers "excuse themselves from giving work to epileptics on the grounds that insurance rates are higher for them, and that their seizures make them accident prone."

In contradiction of this common belief, Dr. Risch stated, "Our own experience has proven that both these objections are greatly exaggerated. A record of seizures from our shop shows most of the attacks occurred during the first few weeks of employment. There seems to be a progressive decrease in seizure frequency and intensity as they gain confidence in themselves."

Seizures are dealt with casually at Epi-Hab. A worker is placed on a cot right in the shop, and is encouraged to go back to work as soon as the seizure is over. Time lost from work averages 32 minutes per seizure.

Other statistics compiled by the firm reveal the average income of employees before they started to work was \$300 a year. At present, it is more than \$3,000 a year. During the past 2 years, Epi-Hab employees have paid a total of \$40,000 in income taxes.

"The ultimate goal is to get these people into private industry," Dr. Risch said. "We have a waiting list of about 300 who want to go to work here."

As a result of its success, Epi-Hab is opening similar industrial plants in Long Island, N. Y., and Phoenix, Ariz.

PETROLEUM—A KEY INTERNATIONAL RESOURCE OF THE UNITED STATES AND THE FREE WORLD AGAINST THE SOVIET MENACE

Mr. WILEY, Mr. President, as a member of the Senate Committee on Foreign Relations, I have many times stressed the tremendous significance of the resource of international petroleum supply to the United States and to the

rest of the Free World. I have been pleased to compliment the enterprising oil companies of the United States for their resourcefulness and their initiative in exploring for new oil supplies not only in the United States, but in virtually every corner of the world.

Today, no less than 190 American companies are engaged in international petroleum activities. This number includes some 74 large or sizable publicly owned corporations, with no less than 2½ million stockholders. These, and other facts, were pointed out in a most illuminating study which was made by Mr. Leonard M. Fanning, editor of *World Petroleum Policies*.

CLEAR GULF OIL CORP. REPORT

Mr. Fanning's study was conveyed by the president of the Gulf Oil Corp., Mr. William K. Whiteford, in a letter which I was pleased to receive earlier this week. This report is one of the clearest expositions of the dynamic changes in the oil industry which I have seen in a long time. One may not agree with all of the observations in it; but the facts which it sets forth are painstakingly documented in a series of tables, and most of the conclusions seem commonsense and inescapable.

The fact of the matter is that the center of gravity of world oil production has shifted from the United States largely to the Middle East. The Mideast contains no less than 71 percent of Free-World reserves.

SOVIETS EAGER TO STIR UP MIDEAST

It is small wonder why the Soviet Union, therefore, is so intent on stirring up trouble in the Middle East. The fact of the matter is, furthermore, that the petroleum of the Middle East is especially significant to free Europe. The further fact is that the oil of Canada and of our good neighbor, Venezuela, is vital to the United States.

A still further fact is that, despite the temporary surplus in United States domestic oil production, the long-range growth curve of petroleum demand in our country is largely upward. That means that we have no alternative but to plan for substantial imports in the future, and on a sound basis.

I don't presume to be an expert in what is, after all, an exceedingly complex industry. But I do know that American free enterprise, in pioneering and opening up vast new oil reserves abroad, is serving the best interests of the people of the United States.

UNITED STATES FOREIGN POLICY REQUIRES FRIENDLY RELATIONS

It is to our national interest that we be on friendly relations with all of the countries which produce oil in sizable quantities. Of course, petroleum is but one factor in our relationships with those countries. There are many other considerations, as well. But I certainly would not want us to forget that factor, or to minimize it.

I send to the desk the text of the impressive summary, as sent by the Gulf Oil Corp. I ask unanimous consent that it be printed at this point in the body of the RECORD.

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

THE SHIFT OF WORLD PETROLEUM POWER AWAY FROM THE UNITED STATES

Petroleum is the world's most-sought-after and vital energy source. Our living standard, our security, our prestige among nations, our very lives depend upon an adequate supply.

Despite the bowing-in of nuclear energy and the recently reported harnessing of H-bomb power envisioning "fuel for a billion years," make no mistake: The world will need petroleum in ever-mounting volume for many years to come.

Will we have enough oil for our peacetime requirements for defense and for emergencies?

Will the American consumer continue to be supplied with petroleum products at reasonable prices, or will he be forced to pay skyrocket prices?

Warning signals are flying.

SHIFT IN THE CENTER OF GRAVITY

A complete transformation in the world of petroleum has occurred during the last 2 decades, with implications vital to the United States and to the Free World.

Few realize these happenings, these changes, their meaning.

Twenty years ago if you pointed off the center of gravity of world oil production on the map, it would be in the United States. Today it has left our continent. In 1935, the United States produced 68 percent of the Free World's oil; in 1957, only 47 percent.

More striking still, the center of gravity of world oil reserves has moved from this continent plumb into the Middle East. United States reserves in 1938 made up 59 percent of Free World reserves; now they are only 14 percent. The Middle East alone accounts for 71 percent of Free World reserves.

The United States had 72 percent of the total Free World crude oil refining capacity in 1935; today it has 52 percent, while Western Europe has increased its refining capacity from 6 percent to 16 percent.

There has been a significant shift in the center of gravity of world petroleum consumption. We ourselves consumed 68 percent of Free World oil in 1945; in 1957, 54 percent.

Yet our increase in consumption between these years has been enormous—at the rate of 79 percent. But Europe's consumption has gone up 292 percent. The consumption of the entire Free World outside the United States has risen 219 percent.

These are high points of the great transformation in world oil of the last 2 decades.

AMERICAN OIL INITIATIVE ABROAD PAYS OFF

This could have been a most disastrous transformation for the United States. Suppose those great reserves abroad had been developed wholly by foreign interests. As it was, most credit goes to American initiative. And, be it said, American commercial initiative, strongly backed by the State Department.

After World War I, the Government was plenty scared about the United States running out of oil. "Go out and find the oil," was its mandate to American oil companies.

A State Department memorandum by Charles Rayner, State Department adviser, dated February 10, 1944, says: "The period from 1918 to about 1924 was characterized by widespread pessimism about future oil supplies in the continental United States and in nearby Latin American producing areas. * * * Consequently American oil interests began to look abroad for sources of crude oil and in so doing found themselves in need of the diplomatic support of their Government. * * * Examination of the record will show that the activity of the Department of State was prompt and firm

* * * (for a more detailed documentation of the activity of the Department during this period reference should be made to the State Department publication entitled 'Oil Concessions in Foreign Countries,' 68th Cong., 1st sess., Doc. No. 97.)"

The world search, the world struggle for oil, was on in earnest.

This was not simply a struggle between titans. It wasn't a case of Royal Dutch-Shell, Anglo-Iranian (British Petroleum) and Campagne Francaise des Petroles (all sincerely backed not only by their governments' diplomacy but by their governments' stock participation) lining up against each other and against Standard Oil. There were few American oil companies of any stature that did not join the search of the early twenties.

It is to be noted that in doing so none abandoned their search at home. But when a flock of new domestic fields came in, many abandoned their expensive foreign operations. It was a matter of cost, of supply. And don't forget demand. Demand didn't falter until the depression. But demand, at that time, could be met nearer at home, at less cost.

However, several of the larger American companies which had pioneered abroad, continued the costly search into the 1930's. Notable strikes were made in Saudi Arabia and Kuwait. Conceivably, they might have been made by foreign companies without American participation.

If they had, the position of the United States in relation to production and reserves would, today, be bleak, indeed. As it is, because of our oil investments abroad, we have increased our ownership in foreign reserves from 35 percent in 1938 to 57 percent.

In other words, thanks to American enterprise, we have largely restored our ownership in reserves although today that ownership is substantially located in other countries.

DRAIN OF TWO WORLD WARS

As in World War I, the irreplaceable reserves of the United States were drawn upon heavily to supply the wartime demand of the Second World War.

For the second time in a world crisis, the American industry came through for the cause of free men. It was able to do so not only because of its then preponderant reserves but because of the concentration of refineries in North America.

At what cost the United States was forced to supply the bulk of the monumental petroleum demands of two world wars has yet to be determined.

After World War II, our State Department did not say in so many words, "Go out and find oil," as it had after World War I, but it (and the military services) strongly commended and backed American efforts abroad. State Department Adviser Rayner (in his statement of February 10, 1944), said:

"Since about 1934, the curve of new discoveries in the continental United States (excluding additions to and extensions of known fields) began to turn sharply downward. While the aggregate proven reserves on successive year-end dates were greater in each successive year, the annual increment to reserves was a diminishing one. This downward trend in United States oil supplies has been aggravated by World War II with its tremendous drain upon United States supplies. The Department of State has, therefore, taken the position that the public interest of the United States requires maximum conservation of domestic and nearby reserves and large-scale expansion of holdings in foreign oil reserves by United States nationals. It has, therefore, actively supported the efforts of United States petroleum interests to secure and to consolidate concessions abroad."

The fact must be faced, that the United States was unable to cope with (nor was it desirable that it should) the pyramiding de-

mand of foreign countries that followed the Second World War.

In fact, it was unable to supply its own mounting demands.

POSTWAR CHANGE

Fortunately for the Free World, during the postwar years Middle East reserves were greatly expanded year after year. A bankrupt, battle-devastated Europe could rebuild on petroleum energy sources.

Petroleum has been called the keystone of the Marshall plan.

A basic provision of that program was that oil should be supplied from the Middle East in preference to the United States and Venezuela (that the United States should be relieved as much as possible of the drain).

Another was to finance refinery rehabilitation and expansion in the 16 participating European nations.

Within an incredibly few years Europe was on its feet again. Most authorities credit Europe's phenomenal rise from the ashes of war and impending bankruptcy to the Marshall plan.

Bear in mind this was a United States Government program.

A bankrupt Europe would have fallen to Soviet Russia. Who can doubt it? There is no overestimating the importance of Marshall plan results and the contribution by petroleum, in large part made possible by the initiative of American oil companies abroad.

The Free World was saved.

RESULTS NOT ONLY VITAL TO EUROPE BUT TO UNITED STATES

The results of American foreign operations were not only vital to Europe but to the United States. Except for foreign oil, the United States would have suffered a shortage far greater than that threatened after World War I when the Government said, "Go out and find the oil."

In 1948 for the first time the United States became a net importer of oil.

Was this at the sacrifice of American activities? Not at all. For years after the war one of the most intensive drilling programs in the history of the Nation was carried on, with drilling completions increasing year after year, except for 1951 and 1957. At the same time large oil companies operating abroad increased their activities at home as well as abroad.

Western Canada opened up following the Leduc discovery well in Alberta, February 1947. There was a surge of American companies to Canada and of United States investment in Canadian companies.

But this is only part of the picture. The resurgence of American activity abroad was worldwide.

Many underdeveloped nations put out the welcome mat for foreign investors by way of passing new petroleum laws or asking bids on new prospective oil acreage. Their desire was for petroleum revenue to bolster their economies and to attain higher living standards for their people.

ONE HUNDRED NINETY AMERICAN COMPANIES IN OIL EXPLORATION OR PRODUCTION ABROAD

According to a study just completed by the author for World Petroleum Policies, when World War II ended there were only 28 American companies active in oil exploration or production abroad. They were in 78 foreign countries, and accounted for 218 separate foreign national operations. Today 190 companies are similarly active in 91 foreign countries and have 598 separate foreign operations.

This shows that 162 companies, 13 countries and 380 oil search or producing operations have been added in the interim.

Furthermore, the surge of activity abroad has been on an accelerated scale in recent years with 110 companies, 45 countries and 214 operations added between 1951 and February 1, 1958.

MOST ARE ALSO UNITED STATES PRODUCERS

Most companies in foreign activities are also domestic producers.

Only 68 of the 190 companies covered in the survey reported no United States exploration and/or production. A breakdown of the 122 active also in the United States shows 38 in under 5 States; 33 in from 5 to 10 States; 45 in from 11 to 20 States, and 6 in over 20 States.

Altogether, companies in foreign operations also are active in 41 States.

REPRESENT CROSS SECTION OF AMERICAN OIL INDUSTRY

The 190 companies, so-called, comprise a complete cross section of the American oil producing industry.

They embrace 74 large or sizable publicly owned corporations, 100 small companies (either with few stockholders or closed family concerns), and 16 partnerships and individuals.

HAVE TWO AND A HALF MILLION STOCKHOLDERS SPREAD ALL OVER UNITED STATES

In the aggregate the 74 companies have 2,516,797 stockholders. Of course, there is an undeterminable duplication in the number of stockholders who might hold shares in more than one company.

But so sizable a figure cannot but be indicative of the great body of Americans who have invested their earnings and savings in the petroleum industry, part of whose earnings and dividends or prospective earnings and dividends come directly from foreign operations.

This great army of 2½ million investors has grown from an estimated 877,500 stockholders reported by 11 companies in foreign operations before 1945.

The investors are spread all over the country. The shares of the companies are traded on the New York, Middle West, and Pacific coast stock exchanges.

REPORT HALF MILLION DOMESTIC EMPLOYEES

Of the 190 companies, partnerships and individuals, 116 reported a total of 547,647 domestic employees, part of whose earnings or prospective future earnings must come from the foreign as well as the domestic operations of their employers.

Sixty companies reported a total of 305,387 employees abroad including foreign nationals. There are over 10,000 United States citizens employed by American oil companies abroad.

IT IS NO LONGER THE "FIVE INTERNATIONALS"

This survey shows, of course, that not just the so-called "international" American oil companies—the "five internationals"—but that 190 American companies have international activities and interests.

Often referred to as the "five internationals" are Gulf Oil Corp., Socony Mobil Oil Co., Standard Oil Company of California, Standard Oil Co. (New Jersey) and the Texas Co. All have domestic production. They are active in 29 States. They are active in 68 foreign countries. They engage in 120 foreign national operations. Their stockholders aggregate 999,091.

Subtracting these 5 companies, the remaining 185 companies covered by the survey are shown to be active in 40 States. They are active in 70 foreign countries. They engage in 478 foreign national operations. Their stockholders aggregate 1,697,820.

Thus it is seen how very substantial the interest is today among stockholders and employees of oil companies other than the so-called five internationals in foreign operations.

LARGER COMPANIES ABROAD

Of the 115 companies reporting on domestic employees, 22 employ over 5,000 domestically; 15 from 1,000 to 5,000.

SMALL COMPANIES ABROAD

Conspicuous in the surge of American activity abroad are small companies or part-

nerships and individuals as revealed by the fact that 12 reported only from 1 to 10 employees; 28 from 10 to 100 employees.

Another 38 employ from 100 to 1,000.

HEADQUARTERS ALL OVER THE UNITED STATES

The companies engaged in foreign operations are headquartered all over the United States. The survey shows 20 States claiming headquarters. Naturally the preponderance is in the principal oil producing States. A sampling of cities would show headquarters of many of the companies to be in such cities as New York, Philadelphia, Pittsburgh, Cleveland, Chicago, Tulsa, Oklahoma City, Dallas, Houston, Los Angeles, and San Francisco.

GREATEST ACTIVITY IN COUNTRIES INVITING FOREIGN PARTICIPATION

The names of the 190 companies, partnerships, and individuals covered by the survey and their national foreign operations by area are given in table 13 and by countries in table 14. Only companies whose addresses are verified are included. A summary of these operations by areas is given in table 15, and by countries in table 16.

Forty-five companies hold concessions in the European-Mediterranean area and Africa; 46 in the Middle East, Far East and Oceania; 170 companies in the North American, South American and Central American area.

It will be noted that among the countries showing greatest activities in their respective areas are those which recently have enacted or revised their petroleum laws so as to invite foreign participation or have opened up new areas for bidding to foreign capital.

Among these countries are France, Libya, Turkey, Iran (consortium), Kuwait, Neutral Zone of Kuwait-Saudi Arabia, Australia, Philippine Islands, Canada, Cuba, Bolivia, Guatemala, Honduras, Paraguay, Peru, and Venezuela.

AN INDUSTRIAL METAMORPHOSIS

From the above it can be seen that an industrial metamorphosis has taken place before our very eyes. The American oil industry is not a domestic industry per se. It has gone international.

Why?

Among the reasons are the shifting of the "center of gravity" in the matter of world production and reserves; the promise—indeed, pressure—of pyramiding world consumption; the increased difficulty in finding domestic crude; and the rising cost of domestic operations.

DOMESTIC OIL HARDER TO FIND

In 1955, 31,138 wells drilled for oil in the United States were listed as successful completions, compared with 19,733 wells in 1940. Significantly, about 50 percent of the 1955 producers came from fields over 16 years old, while in 1940 only 18 percent came from fields over 16 years old.

Obviously, you just can't keep getting out that much oil—50 percent—from fields that old.

This is more significant when it is recognized that in the period 1950-55 there were 5 times as many exploratory wells drilled as in the period 1935-40. This fivefold increase in exploratory drilling apparently generated slightly fewer locations to drill.

The evidence that newer fields, though diligently drilled, are smaller than old fields of the past alone would tend sooner or later to discourage drilling activity.

NO RECENT MAJOR FIELD DISCOVERIES

Not since 1953 has a major oilfield (100 million barrels or over) been discovered in the United States. During the 6 years 1950-55 an average of 1.17 major fields per year was found; during the 4-year prewar period 1938-41 the average was 3.75 per year.

Mother Nature, a prominent geologist recently said, was "generous, but not lavish, when she bestowed upon our country its

hydrocarbon resources." They were hidden in innumerable little deposits. But only occasionally did a big accumulation develop.

In all of the tremendous geological effort to date in the United States, only 24 fields with estimated ultimate reserves in excess of 500 million barrels each have been found. By way of comparison, the average reserve of each of the 35 fields in the Middle East is about 4 billion barrels.

The fact is, most United States oil country has been explored. It is no longer looked upon as a young one with unlimited potential. Abroad, we have barely scratched the surface. In the Middle East, for example, oilmen have proved up more reserves with 1,500 wells than United States producers have discovered with more than a million.

There were 544,420 producing oil wells in the United States at the beginning of 1957. Also, as of the same date, the National Stripper Wells Survey of the Interstate Oil Compact Commission reports a total number of stripper wells as 370,489. In other words, 68.1 percent of the total wells producing at the beginning of 1957 were strippers, producing less than 10 barrels a day.

Quite possibly the recent decline in domestic drilling activity was due to these domestic discouragements.

Only by such systems as water flooding or gas—or air—injection—or fracturing (secondary recovery) are many of our fields and thousands of our wells kept producing.

All these methods are expensive.

It is estimated that 170 million barrels of 7 percent of our total production in 1956 was dependent on water flood secondary recovery methods alone.

THE RISK AND THE COST

In the United States, the astonishing number of 1,663,000 wells have been drilled for oil since 1859. The record shows however that one out of every four wells was dry.

With some 55,000 wells drilled annually today, even with the benefit of highly developed scientific aids such as geophysical devices, the records is one dry out of every two and a half wells.

In purely exploratory operations (or wildcat drilling, as it is known in the industry), only one out of nine wells drilled strikes oil.

The deepest well ever drilled for oil up to 1909 was 5,660 feet. In 1924 the record was 7,319 feet. In 1933, 10,585 feet was reached. Not until 1938 was a well drilled deeper than 15,000 feet.

Today a well drilled over 15,000 feet is not considered unusual and many reach sands 20,000 feet deep. Indeed, world's-deepest-well records of over 22,000 feet are constantly being broken.

Deeper drilling is costly. In 1925 drilling an 8,000 foot well cost about \$28,000. A wildcat well today may run anywhere from \$100,000 to over a half million dollars.

Much is being done on (and much is being said of the potential yield from) our tide-lands. Drilling and equipping a well offshore costs eight or nine times as much as on land.

GREATER DOMESTIC COSTS SLOW WILDCATTING

Our increasing number of stripper wells means more operations to get a given volume out. This, together with deeper drilling and the greater percentage of secondary recovery methods, all are factors tending to increase the cost of finding and producing a barrel of oil.

The farther that goes, the greater the disparity between the cost of domestic as against foreign production.

Cost is making it more and more difficult for domestic oil to compete with foreign oil.

The fact that oil has become harder and harder to find in the United States has had its inevitable result.

Searchers tend to concentrate more and more on proven territory. They want to cut their risks.

The overall result is fewer wells drilled.

But, unfortunately, under the conditions of tremendous current and potential demand encountered until recently, the cost of acquiring leases and drilling sites in proven territory is pushed up and up with bonus payments going to record highs.

For example, record high bonus bids were made on the four tracts at the sale of Navaho Indian Reservation (Utah) leases, December 10, 1957.

One company bid \$1,034,000, or \$4,308 per acre, on 1 tract and \$305,244, or \$1,907 per acre, on a second tract.

Louisiana's first offshore sale (August 1945) disposed of 129,000 acres at a bonus of \$4.92 per acre. In 1955, \$5,192,000 was paid for a 2,500-acre tract, or \$2,076 per acre. The last Federal lease sale (July 1955) brought in \$100 million for 252,000 acres, or an average bonus of close to \$400 an acre. Offshore leases during 1956 averaged \$570 an acre.

NOT JUST A DOMESTIC PHENOMENON

This trend to go after a sure thing (the compulsion is the greater because in the oil industry there's no such thing as a sure thing) isn't just a domestic phenomenon.

The trend is as visible abroad as at home.

Venezuela granted concessions last year on some 2 million acres of prospective oil lands, some of which were semiproved. For these, 40 companies, mostly from the United States, paid bonuses amounting to \$700 million, or \$350 an acre.

FEWER WELLS ABROAD YET PRODUCING CAPACITY SOARS

In comparison with foreign countries, known and likely territory in the United States literally has been perforated with holes in sieve-like profusion. Our annual drilling campaign in 1957 totaled 53,350 new completions, compared with an estimated 9,431 for the rest of the Free World.

Nevertheless, our 1957 figures represent the first substantial halt in the progressive increase of annual well completions in recent years, comparing with 58,418 completions in 1956.

On the other hand, foreign well completions have mounted uninterruptedly. The 9,431 for 1957 compare with 8,563 for 1956, an increase of 10 percent. And compared with the 3,399 completions abroad in 1949, the 1957 figures represent an increase of 178 percent.

But the significance of the comparison of our drilling campaign with those of other nations is not confined to our recent retrogression and the steady jump abroad. The figures (taken in conjunction with the fact that free foreign production has risen 79 percent and reserves 246 percent within the span 1949-57) are eloquent of the fact that productive capacity abroad has surged far ahead of the United States on from one-twelfth to one-sixth as many wells drilled annually.

Surely the above comprises evidence to justify the conclusion that American producers who during the last decade have gone abroad in search of oil had sound reasons for doing so, namely, (1) hard-to-find and costly domestic production; (2) shift of center of gravity of reserves to foreign countries; and (3) desire to participate and profit by the expanding and great potential markets in foreign lands.

WHERE THE AMERICAN PUBLIC COMES IN

What a difference a couple of decades has made.

In 1938 we had 59 percent of Free World oil reserves. Today we have less than 14 percent. At the same time, today our domestic consumption of petroleum products is enormous, 54 percent of the Free World total.

A couple of decades ago we had our own needs fully taken care of. We knew there was lots of undiscovered oil in the United States. We knew that we could put this oil on the books at reasonable costs.

You might say that we were "running the show."

Now it's different. We don't run the show.

Back before World War II, the public's attitude toward oil supply was somewhat complacent—and understandably so.

Today, with the situation not only different but continuing to change, our public attitude has to change, too.

We can't postpone facing up to the problem of where we're going to get petroleum to supply demand not only of today but into the foreseeable future.

Our reserves in terms of years' supply at current consumption rates have been dwindling for some time. But recently the rate of decrease has accelerated. Comparing 1920 and 1940 there was a decline from 16 years of supply to only 14 years. But 1950 showed 12 years of supply, and the end of 1957, 11 years. In fact, in 1957 for the first time since 1943, the barrels of reserves actually decreased.

If the present negative trends continue in domestic oil finding, the only hedge against them is to rely on our imports. If we could find enough at home even at greater cost to always take care of demand, the question of paying the price to have our own supply might be in order.

But this isn't in the cards. Present indications are that we can't even do that (even if the American people would approve of paying the higher prices that must inevitably result from over-restriction of imports).

HAVE TO RELY ON IMPORTS

So we have no choice but to rely on our imports to the necessary extent.

If we aren't careful, if we impose arduous tariffs and burdensome restraints on imports we'll get the higher costs without the adequate supply. If this should occur, we shall be compelled to rely even more heavily on imports.

HIGHER PRICES FROM OVER-RESTRICTION

Moreover, the higher domestic prices would be a signal for foreign governments to demand higher shares and higher prices.

There can be no doubt on this point.

Unfortunately, in contractual dealings with governments (companies in foreign operations have no other choice than to deal with governments), political pressures vie with the economic. In all these countries, the governments are keen in their business dealings and extremely jealous of the national interest.

These considerations, the pressures of economic nationalism, as affecting the position of American companies abroad are most pertinent to the public understanding of the problem.

HIGH STAKES

At stake, also, is foreign trade and investment from which the public derives profit.

In 1956 United States foreign investments totaled \$22.1 billion. Petroleum led all categories with \$7.2 billion, or 33 percent. In 1940 petroleum investment abroad was \$1.3 billion.

Wherever Americans go in foreign countries, other American goods go; not only American-made oil supplies but groceries and a host of articles estimated to expand our foreign trade by hundreds of millions. American oil-well supply companies alone in 1956 exported \$156 million worth of equipment.

A study of United States purchases by oil-rich Venezuela where we have a billion-dollar investment in petroleum shows that country bought an estimated \$1.15 billion worth of United States goods and services in 1956.

Venezuela's policy of investing oil income for economic and social development and for general diversification of the economy has meant business for our manufacturers,

farmers, and exporters. Twenty-nine States shared in this trade to a notable degree.

United States exports to the Middle East in 1956 were \$591 million, imports from the Middle East into the United States (including oil) were only \$413 million.

Anything detrimental to the continued well-being and encouragement of foreign petroleum investment would hurt not alone those directly investing and working in the oil business, but everybody.

Moreover, any blow struck at the American oil industry abroad will swiftly rebound to the advantage of strong competitors.

But retaliatory action could be directed against vulnerable American companies operating in foreign oil-producing countries which are hurt. In all these nations the government owns the subsoil, the spirit of nationalism is high and can be explosive and intransigent.

If we have to compete in the world supply arena and in world markets, we have to take an international look at this matter and scan broad horizons with a telescope, rather than confine our study to microscopic domestic considerations.

WON'T WE NEED OUR FRIENDS ABROAD?

At stake, too, are more than trade considerations.

Petroleum investment abroad is a proven dynamic source of benefit to foreign countries. American oil companies abroad have been referred to as a "private point 4." Petroleum investment helps underdeveloped nations help themselves, which is the keystone of our foreign-aid policy.

At stake is our prestige abroad, and also the question of whether we will keep our friends.

Already import restrictions have stirred unfavorable reaction among our friends and allies.

Canada and Venezuela talk of retaliation. Canadians say that if we won't take their oil they shouldn't take our goods. Canada is our most important export market.

"It would be unfortunate, wasteful, and surely unnecessary to find the United States and Canada committing themselves to restrictive practices, which would be uneconomic and harmful rather than helpful to effective cooperation should an emergency arise," an official Canadian note said.

Practically the same view has been voiced by Venezuela, our No. 1 Latin American market.

Back in the 1930's the public didn't have to be so concerned over foreign policy as it does today with Soviet Russia pressing for world communism.

Soviet Russia's economic offensive insofar as petroleum is concerned must not be underestimated. Into Egypt, Syria, China, Argentina, Brazil, Uruguay—to mention only a few authenticated accounts of new countries she adds continuously—she is shipping or offering to ship oil machinery and petroleum technicians.

More than that, wherever American oil companies are working abroad Russian propaganda is working. The Soviet Government themed its congratulations to the new regime in Venezuela on an appeal to nationalism which would throw foreign oil imperialists out of the country.

DON'T BE FOOLED BY A TEMPORARY OVERSUPPLY

Because of forced-draft United States production to take care of the Suez Canal crisis, followed by an unexpected slowing up of domestic consumption, the petroleum industry has a temporary oversupply.

Instead of an expected normal increase of 5 percent, it is estimated consumption last year will show no gain or possibly a slight decrease.

Because of this situation, there is danger of forgetting the forecasts so recently and unanimously advanced by the experts. These show mounting United States and Free World

demand. The Chase Manhattan Bank estimated that United States demand will rise from 8.8 million barrels a day in 1956 to 14.3 million barrels in 1966, an increase of 63 percent.

There's no reason to doubt the ultimate accuracy of these forecasts.

So huge is the United States volumetric demand for petroleum products that an increase of only 3 percent in 1958 demand would mean an added quarter of a million barrels a day.

WE CAN'T AFFORD TO BE WRONG

The American public has an interest in the fact that if we pursue the wrong course we will deplete our oil-productive capacity and put ourselves at the mercy of foreign supply.

The public no longer can take a disinterested attitude on the theory that supporting our foreign oil business abroad is supporting a few international oil companies. For now represented is a large and growing segment of the industry.

Public interest can no longer lag on the theory that we'll always be self-sufficient. The evidence is that we're not going to be.

You can be sure that when oil becomes scarce price will become high. Involved is the American standard of living. All industry and all consumers are dependent upon reasonably priced energy for their efficiency and comfort.

This gives the public a vital reason to be interested in foreign oil.

It is in the public interest to maintain American interests in foreign production and reserves.

It is in the public interest to see that oil continues to be effective in our foreign relations and to encourage foreign nations to remain friendly.

It is in the public interest to be aware of and to back these 190 units of industry in their worldwide search for oil. For never was there greater need for diversification of sources.

Certainly it is not in the public interest to shut off imports.

It is not in the public interest to close the door in the faces of our friends.

It is not in the public interest to put American oil operators of every size and category at a handicap in their competition with foreign competitors.

It is not in the public interest to indulge in complacency with respect to our future supply.

SUPPORT BY SENATOR KEFAUVER OF AMENDMENT OF FEDERAL AIRPORT ACT

Mr. KEFAUVER. Mr. President, I should like to add my support to S. 3502 to amend the Federal Airport Act. This bill would extend the provisions of the act for 5 more years and increase the obligational authority of the Civil Aeronautics Administration from \$63 million to \$100 million. It would further provide a discretionary fund of \$75 million to be used by the Secretary of Commerce during fiscal year 1959.

This program has been an unusually successful one, providing assistance to municipalities throughout the country in their efforts to improve their economic standing. Living in an age in which air transportation and travel is a virtual necessity, the Federal Government has an obligation to provide assistance to the local communities as they strive to share in the blessings of air travel and contribute their goods and ideas to other parts of the country. These cities are eager to match Federal

money in this program, and indeed have obligated considerable funds already expecting the Federal Government to continue this program. It would be unforfeitable if we failed to recognize these efforts by extending the Federal Airport Act.

I am happy to find that there is included in this legislation authorization for an increase of \$75 million to be used in the next fiscal year. This represents again the clear awareness by the Senate of the seriousness of the present recession. This added money will inject funds into the economy which will create jobs and help to stimulate all segments of the Nation's economic system. There are projects ready to begin and they await only the matching funds provided by the Federal Government.

I ask unanimous consent that telegrams and letters I have received relating to the bill be printed in the body of the RECORD following my remarks.

There being no objection, the communications were ordered to be printed in the RECORD, as follows:

GREENEVILLE, TENN., April 5, 1958.
Senator ESTES KEFAUVER,
Washington, D. C.:

We solicit your support of Senate bill 3502.

EARL SMITH,
Mayor.

S. W. DOTY,
County Judge.

CHARLEY MAYS,
President, Greeneville Chamber of Commerce.

JOE BELEWY,
Chairman, Greeneville, Greene County Airport Commission.

CROSSVILLE, TENN., April 5, 1958.
Senator ESTES KEFAUVER,
Senate Office Building,
Washington, D. C.:

We respectfully request your support of Senate bill 3502, providing additional airport funds and extension of Federal-aid program 4 years. Crossville and Cumberland County investing \$50,000 in Federal-State-city project to extend and pave Crossville Municipal Airport.

Many thanks.

CITY OF CROSSVILLE,
RALPH B. HALL,
Mayor.

JACKSON, TENN., April 4, 1958.
Hon. ESTES KEFAUVER,
Senate Office Building,
Washington, D. C.:

Respectfully urge your support of Senate bill 3502 as such bill is a great benefit to aviation generally and especially to aviation in the smaller cities such as Jackson. We endorse this bill.

RUSSELL RICE
(For the Jackson Madison County Airport Committee.)

HUMBOLDT, TENN., April 4, 1958.
Hon. ESTES KEFAUVER,
United States Senate:

We all hope you support Senate bill 3502. We need help for our airport.

L. D. NOWELL, Jr.,
Mayor.

LEXINGTON, TENN., April 4, 1958.
Hon. ESTES KEFAUVER,
United States Senate,
Washington, D. C.:

Urge passage of Senate bill 3502.
JACK A. HAY,
Mayor, Town of Lexington.

NASHVILLE, TENN., April 3, 1958.

HON. ESTES KEFAUVER,
Senate Office Building,
Washington, D. C.:

Additional \$4,300,000 in Federal aid airport funds urgently needed for matching local sponsor funds in Tennessee for airport construction during fiscal 1959. Your active support in the early passage of S. 3502 is solicited.

JAMES E. MARTIN,
Director, Tennessee Aeronautics
Commission.

GREENEVILLE, TENN., April 7, 1958.

Senator ESTES KEFAUVER,
Senate Office Building,
Washington, D. C.:

Your support of Senate bill 3502 will be greatly appreciated.

W. H. GRAHAM,
Executive Vice President, Magnavox
Company of Tennessee.

TRENTON AGRICULTURAL &
INDUSTRIAL CORP.,
Trenton, Tenn., April 4, 1958.

HON. ESTES KEFAUVER,
United States Senate, Senate Office
Building, Washington, D. C.

DEAR SIR: It is my understanding Senate bill 3502 will come to a vote very shortly after the Easter holidays. This bill provides for Federal funds for airport construction.

For the past 3 years I have been serving as president of the Trenton Agricultural and Industrial Corp., which endeavors to bring new industry into our town. I have interviewed many industrialists in an effort to interest them in coming to Trenton, and most of these people whom I have seen have asked if there is an airport in Trenton. Although these people would prefer a town which was served by a commercial airline, they express considerable interest in towns which have an airport for the landing of small private planes.

Trenton does not have such an airport, and I know definitely of one industry which would not give us consideration in their plans for expansion because of the lack of this facility. Last summer this plant was finally located in eastern Arkansas in a town which had a small airport.

Trenton has made application for the construction of a small airport using Federal funds, and I would appreciate your giving every consideration in voting for this bill, as I believe it would help us get an airport in Trenton and thus increase our chances of getting needed industry.

Yours very truly,

MARION T. LONG, President.

SAVANNAH, TENN., April 3, 1958.

HON. ESTES KEFAUVER,
United States Senator,
Washington, D. C.

DEAR ESTES: We received a telegram this afternoon from James E. Martin, executive director of the Tennessee Bureau of Aeronautics, with reference to bill No. 3502, giving additional funds in the amount of \$75 million for airport construction. This bill is to be brought out at any time.

I certainly hope that you are in position to support this bill as we have our application on file for approximately \$140,000 for an airport here which is almost compulsory for us to have due to some heavy industry that we feel almost sure is coming here.

Yours truly,

BOB GUINN,
Vice Mayor.

MEMPHIS, TENN., April 3, 1958.

HON. ESTES KEFAUVER,
United States Senate,
Washington, D. C.

DEAR ESTES: Please support bill S. 3502, or some similar bill to provide emergency air-

port aid and extend the Federal Airport Aid Act.

As you know, we have a big airport project here in Memphis under way and we need money to complete it.

Best regards.

Yours truly,

EDMUND ORGILL, Mayor.

REDUCTION OF FEDERAL RESERVE DISCOUNT RATES

Mr. KEFAUVER. Mr. President, many of us have been saying for some time that the tight-money policy of the Federal Reserve System is not the way to fight present-day inflation—which is not the normal kind. Today's inflation is created by administered prices, and those industries are not affected appreciably by the high interest rates. Small businesses, builders, and the like are adversely affected—but they are not responsible for the inflationary trend.

I am glad to see that the Federal Reserve discount rates have been reduced. There is no reason, now, why all banks and financial institutions should hold up the prime rates.

I was glad to see that the Guaranty Trust Company of New York and some others reduced their prime rates yesterday from 4 to 3½ percent. I hope that other banks and other lenders of money will follow this lead. This kind of action will encourage small business and builders, and they, in turn, will stimulate our lagging business conditions.

APPOINTMENT OF ADDITIONAL JUDGE FOR JUVENILE COURT OF THE DISTRICT OF COLUMBIA

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Order No. 1102, H. R. 7785, an act to provide for the appointment of an additional judge for the Juvenile Court of the District of Columbia.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H. R. 7785) to provide for the appointment of an additional judge for the Juvenile Court of the District of Columbia.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. Mr. President, I must leave the floor. Before doing so, I should like to make a brief statement. Yesterday I met briefly with three members of the Citizens' Advisory Committee for the Juvenile Court, Mrs. Grattan Doyle, Dr. Addison Duval, of St. Elizabeths, and Rabbi Balfour Brickner, who called on me to urge that this proposed legislation be scheduled.

I have conferred with the members of the committee in connection with the bill and with those who have expressed interest in it. The minority leader has cleared it for action. I should like to inform Members that the Senate will consider it during the day, hear all points of view, and finally dispose of it.

Mr. CLARK. Mr. President, this bill would provide for the appointment of an

additional judge for the Juvenile Court of the District of Columbia. The need for such a judge was clearly established in the testimony heard by the Judiciary Subcommittee of the Senate District of Columbia Committee. That testimony indicated that the workload of the court had increased from a total number of 9,069 cases in 1951 to 17,916 cases in 1957. The crushing load of those cases has up to this time been carried by one judge, making it literally impossible for adequate consideration to be given to the important work of the Juvenile Court in the District, which, as Members of the Senate know, has jurisdiction over all misdemeanors and crimes by juveniles 18 years of age and under, and also has a substantial additional adult jurisdiction.

Mr. FREAR. Mr. President, will the Senator yield for a question?

Mr. CLARK. I yield.

Mr. FREAR. When the Senator mentions the numbers he has stated, does he refer to numbers of cases or hearings?

Mr. CLARK. I am talking of the total number of proceedings before the court, which can be broken down into hearings, cases—

Mr. FREAR. As I understand the Senator, the number does not include cases only.

Mr. CLARK. If the Senator wants to put it in terms of court hearings, they are cases.

Mr. FREAR. I think there is a difference. I will ask my good friend from Pennsylvania if he does not agree that there is a difference.

Mr. CLARK. I am sorry. I cannot hear what the Senator said.

Mr. FREAR. Does not the Senator think there is a difference between a hearing and a case?

Mr. CLARK. Of course there is. The Senator from Delaware asked a question with respect to the number of cases which had been heard by the court during the last few years. Let me restate the situation. In 1951 there was a total of 9,069 court hearings before the juvenile court. By 1957 that number had increased to 17,916, or almost double.

It is quite appropriate to say, as the Senator from Delaware has said, that a court hearing before a juvenile court is not the same as a contested case, either civil or criminal. Nevertheless, the important human rights of each individual called before the court must be given adequate and fair consideration. Whether they are cases or mere hearings, the net result is the same; namely that the court has an absolutely backbreaking caseload which one judge cannot possibly handle. That is one reason why the pending bill is before the Senate for approval.

Mr. FREAR. Does the Senator object to having questions propounded now, or would he prefer to have them asked later?

Mr. CLARK. I should very much appreciate it if my good friend, the Senator from Delaware, would let me complete a brief statement, and then I shall be happy to yield to the Senator for a more general discussion.

Mr. FREAR. I thank the Senator.

Mr. CLARK. Mr. President, the qualifications for the judge which the bill calls for are that he should have been a member of the bar of the District of Columbia for at least 5 years immediately preceding the appointment, a resident of the District of Columbia or of the metropolitan area surrounding the District for at least 5 years immediately preceding the appointment, and have a knowledge of social problems and procedures and an understanding of child psychology. There are various technical provisions in the bill.

The compensation called for, to be paid to the new judge, is \$18,000. The total cost of the legislation would be \$30,465.

Extensive hearings were held before the Judiciary Subcommittee of the Committee on the District of Columbia. The bill was supported by all the witnesses who appeared, including the Chief Judge of the Municipal Court for the District, the District Commissioners, the Bar Association, the present Juvenile Court judge, and a large number of civic organizations and welfare organizations in the District which interest themselves in the work of the juvenile court.

I think, Mr. President, for present purposes that will give an adequate outline of the purpose of the bill. I am now happy to yield to my friend from Delaware, whom I believe has some questions to ask.

Mr. FREAR. Mr. President, at a later time I shall desire the floor in my own right to address myself to the proposed legislation. In the meantime, however, I should like to follow up the questions asked of the Senator from Pennsylvania a moment ago, and I should like to propound a few further questions.

I believe the Senator stated that in 1951 there were cases for court hearing, both juvenile and adult, in the total amount of 9,069, which increased in 1957 to 17,916.

Mr. CLARK. The Senator is correct. Mr. FREAR. I shall give a breakdown of those figures to the Senator and ask the Senator if the breakdown is correct.

In 1951, new cases filed numbered 2,450. The court hearings, juvenile, were 4,334; and court hearings, adult, were 4,735; which makes a total of 9,069.

Mr. CLARK. The Senator is correct.

Mr. FREAR. The comparable figures for 1957 are: New cases, 3,414. Juvenile court hearings, 8,173; adult court hearings, 9,743; making a total of 17,916.

Mr. CLARK. The Senator is correct. Mr. FREAR. May I ask the Senator if he is familiar with the figures for 1955 and 1956, respectively?

Mr. CLARK. Yes. I have the figures.

Mr. FREAR. Would the Senator mind stating the figures?

Mr. CLARK. I should be happy to. I take it the Senator wants all four categories.

In 1955, there were 4,412 complaints. There were 3,273 petitions issued, which is synonymous with new cases filed.

Mr. FREAR. Yes.

Mr. CLARK. There were 6,530 juvenile court hearings and 7,365 adult court hearings, or a total of 13,895.

Mr. FREAR. Yes.

Mr. CLARK. I think the Senator also wanted figures for one other year.

Mr. FREAR. For 1956.

Mr. CLARK. In 1956 the figures are these: Complaints, 4,551. Petitions issued, i. e., new cases filed, 3,674. Court hearings, juvenile, 7,453, and court hearings, adult, 8,690; total 16,143.

Mr. FREAR. I am very glad to have those figures. I shall now ask the Senator, when did the present judge take office?

Mr. CLARK. I think the Senator from Delaware probably has that date in mind better than I. My recollection is that the present judge took office some time during the early part of the first session of the 85th Congress.

Mr. FREAR. I think it was approximately May 1, 1957.

Mr. CLARK. That is in accordance with my own recollection. I remember we had the nomination before the committee last year.

Mr. FREAR. The figures which have been given me by the Senator from Pennsylvania for 1955 and 1956, as compared with the figures the Senator previously gave me for 1957, present a vastly different picture than is presented when one compares the figures of 1951 with the figures of 1957 related to the increase in workload.

Mr. CLARK. The Senator is correct. I think I can anticipate the road down which my good friend is about to travel. I would be quite in agreement with him, and I hope he will be in agreement with me when I state that it was perfectly outrageous not to bring the bill in with administration support no later than 1953. The two judges in the Juvenile Court of the District of Columbia have been needed for at least the last 5 years. I think perhaps the Congress and certainly the Commissioners and the administration going back to 1953 are to blame. Possibly we can blame it all on our friends on the other side of the aisle. I think there has been a great dereliction in the meeting of a public responsibility, by having such a crushing caseload handled so long with only one judge. To my mind it is really a very bad thing. We are far behind the times now in providing the second judge. Personally, I am inclined to think we need three judges.

Mr. FREAR. May I ask the Senator if he thinks the preceding judge was overworked, when the caseload was rather current most of the time, as contrasted to the situation now under the present judge?

Mr. CLARK. I would say to my friend from Delaware, I do not want to cast any aspersions of any sort about any member of the judiciary, either past or present. My own experience as mayor of a great city leads me to feel that the juvenile court procedures in pretty nearly all of the large cities of the country are lacking in compassion, the cases are rushed through in a hurry, and are handled in such a way that the human interests involved are not given adequate consideration. Although it perhaps is true the caseload was current before—I am not too familiar with that item—if it is true, again not casting any reflection

on any individual, I would hazard a guess that the people who came before the court were not getting the attention to which they were entitled.

Mr. MORSE. Mr. President, will the Senator yield for a question at that point?

Mr. CLARK. I yield to the Senator from Oregon.

Mr. MORSE. The Senator just made the point which I rose to comment on. It seems to me, as we discuss the cold statistics this afternoon as to the caseload for the past several years in the juvenile court, we may be missing the very point we ought to be paying attention to. The question is not how many cases the judges have handled for the last 8, 9, or 10 years. It seems to me the problem which confronts us is whether we have been providing the judicial service in this department which has permitted the judges to devote enough time to individual cases in their effort to rehabilitate the boys and girls who have already indicated they are on their way toward criminality.

Mr. CLARK. I am in complete accord with my friend from Oregon, who, as usual, has put his finger right on the heart of the matter.

Mr. MORSE. When we talk about a judge handling many hundreds of cases, I ask the questions: How did the judge handle the cases? What were the results? What is the record as to repeaters? How many boys and girls "went straight" under that kind of a heavy caseload?

When I think of the appointments we in the Congress make and the money we spend for this and that, I believe we are now considering one place where we could well spend money much in excess of what the additional judge will cost. In fact, when the Senator from Pennsylvania says he thinks 3 judges are necessary, I am not sure even 3 judges happen to be enough, if we really want to do a job for the boys and girls and have a juvenile judge who is really going to try to use the functions of the office to stop the boys and girls from continuing on the wrong path.

Mr. CLARK. I thank my friend from Oregon for his very pertinent comments.

We spend much time on the floor of the Senate—and a great deal of time and effort is spent by the press, radio, and television groups in our great cities and elsewhere—discussing the problem of juvenile delinquency.

The present occupant of the chair, the distinguished Senator from Tennessee [Mr. KEFAUVER], has been one of the most forthright workers for measures to improve ways and means of dealing with the unfortunate American problem which every large city in the country and many of our rural areas face.

I hazard the observation that a qualified and competent judge of a juvenile court can make a better contribution toward the solution of the problem of juvenile delinquency than anything any Member of this body could dream up—and at less cost to the taxpayer.

Mr. MORSE. Let us not forget Ben Lindsey.

Mr. CLARK. Mr. President, does the Senator from Delaware wish to make some further observations?

Mr. FREAR. Mr. President, I believe that the Senator from Oregon [Mr. MORSE] and the Senator from Pennsylvania [Mr. CLARK] have thrown further light on the subject by their approach to it. I cannot disagree with them. However, support for the bill is based upon the factor of the caseload, and not humanitarian considerations. I know that the Senator from Pennsylvania has been mayor of the great City of Brotherly Love. For his information, the present judge of the juvenile court has visited his fair city and has observed the operations of the juvenile court there. I give credit to Judge Ketcham for placing himself in a position to learn what is going on in other cities, so as to improve the operation of his court.

Mr. CLARK. If the Senator will permit me to interrupt, he will recall that he and I were two members of the committee who were not extremely enthusiastic about confirmation of the nomination of the incumbent judge of the juvenile court. However, I think we should say in all fairness that since he took office he has been doing his best to familiarize himself with that field, and the law, with respect to which he had no previous competence. It is my understanding that he is doing a very good job.

Mr. FREAR. At the appropriate time I shall ask unanimous consent to have printed in the RECORD certain letters in which I am sure the Senator from Pennsylvania will be interested.

Mr. CLARK. Mr. President, that completes my preliminary statement with respect to the bill.

The PRESIDING OFFICER. The bill is open to amendment.

Mr. FREAR. Mr. President, I desire to take only a very few minutes to address myself to the pending bill, H. R. 7785, which relates to the appointment of an additional judge for the juvenile court of the District of Columbia.

My views, as well as my previously expressed opposition toward confirmation of the nomination of Judge Oram W. Ketcham, now presiding in that capacity, are well known.

My opposition to Judge Ketcham was based entirely upon my conviction that we were subjecting ourselves and the citizens of the District of Columbia, especially those who would be required to come before the court, to certain hazards by placing upon the bench of this specialized court any person not possessing the required specialized qualifications.

On May 1, 1957, just prior to the Senate vote confirming the nomination of Judge Ketcham, having been informed that legislation to provide an additional judge was being drafted, I stated that certain sections of the legislation would be so worded as to protect Judge Ketcham in respect to the requirements of law related to residency and tenure in office.

However, although there followed some expressions of denial, on May 27, just 26 calendar days later, H. R. 7785 was introduced in the House, and its counterpart,

S. 2154, was introduced in the Senate, not only embodying the provisions I previously mentioned, but also proposing to grant authority to the judge to remove from civil-service protection certain present employees of the court.

As I have previously stated, the position of juvenile court judge is one of the most important in any community, and certainly the selection of a person for this post in the District of Columbia is worthy of our most serious consideration.

I do not suggest that action be taken to remove from the proposed legislation any language which may have been designed to protect Judge Ketcham.

In fact, anything I may say in further presenting my views toward this legislation will have no bearing upon or relation to the appointment of Judge Ketcham, other than that he shall be permitted to serve his full term in office.

However, I reserve the right to place in the RECORD certain information concerning his stewardship as judge of the District juvenile court, whereby it can be shown to Members of the Senate that a very careful study must be given to conditions now confronting this court.

I shall also attempt to describe the manner in which certain provisions of the proposed legislation would further curtail, rather than expedite, its operation.

Mr. President, on two previous occasions I attempted to bring to the attention of the Senate the seriousness of the problem which now confronts the juvenile court of the District of Columbia.

I have even been accused of stalling to prevent the appointment of an additional judge through the enactment of this bill.

Although I question the wisdom of appointing an additional judge to the bench of this court under present requirements of law as they relate to qualification and experience, I have never denied the need for an additional judge who would more adequately fulfill the requisite qualifications for a judgeship, as stated on page 83 of the Standards for Specialized Courts dealing with children, issued by the Children's Bureau of the United States Department of Health, Education, and Welfare.

Although I have previously placed these desired qualifications in the RECORD, I again invite the attention of Senators to the minimum requirements as determined by this Government agency.

They are to be found under the title "The Judge," and are as follows:

THE JUDGE

Selection of a competent judge who can give leadership to the court specializing in children's cases is of the greatest importance, particularly in view of the wide discretion conferred on him by law.

In selecting the judge of the specialized court, certain personal attributes must be considered as well as training and experience. In order to be fully qualified for this work the judge should have been admitted to the bar in the State where he is to serve and have had some experience in the practice of law.

Also, he should be:

1. Deeply concerned about the rights of people.
2. Keenly interested in the problems of children and families.
3. Sufficiently aware of the findings and processes of modern psychology, the sci-

ence which treats of the mind, psychiatry, and social work, that he can give due weight to the findings of these sciences and professions.

4. Able to evaluate evidence and situations objectively, uninfluenced by his own personal concepts of child care.

5. Eager to learn.

6. A good administrator, able to delegate administrative responsibility.

7. Able to conduct hearings in a kindly manner and to talk to children and adults sympathetically and on their level of understanding without loss of the essential dignity of the court.

Mr. President, in this, as in any other juvenile court, each case presents a peculiar problem, and the handling of them on a day-to-day basis requires a broad knowledge and understanding of social factors involved, and a sound application of appropriate corrective measures.

They must of necessity be evaluated in terms of individual and community needs, as well as available resources. Obviously, as we have already seen, one not well grounded in experience and equipped with a practical working knowledge cannot cope with the volume and complexity of these situations.

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

Mr. FREAR. I yield.

Mr. CLARK. I commend the distinguished Senator from Delaware for the statement he has just made with respect to the qualifications necessary for a good juvenile court judge.

I hope the statement will become a part of the legislative history of the bill, and that when the appointing power comes to act, the appointee will be required to meet the qualifications the Senator has mentioned. I know that my friend from Delaware is in accord with my view. We hope that it will not be necessary to make another fight in the committee to prevent the appointment of a judge who does not meet such qualifications.

If the Senator from Delaware will permit me to do so, I should like to read into the RECORD at this point a statement which appears in the committee report on the pending bill. It reads:

The committee in favorably reporting this bill feels very strongly that the appointing authority, in selecting a juvenile court judge, should be governed by a strict interpretation of the qualification standards set forth in the bill, to the end that the nominee shall fully meet all of the requirements.

The committee makes this statement because of its deep concern for the welfare of the children coming within the jurisdiction of this court, and feels that comprehensive knowledge of the social problems of the area, as well as a thorough understanding of child and adolescent psychology are most important attributes in this position.

I am sure it must be clear that it is the intention of the Senators who have addressed themselves to the bill today, as well as of the members of the committee, that to be appointed to this position one must be more than a lawyer.

Mr. FREAR. Mr. President, I am deeply appreciative of the remarks of the Senator from Pennsylvania. Certainly we have no difference of opinion on that point. On a previous occasion, when remarks were made regarding the

additional judgeship, some of those qualifications were also put into the RECORD.

A juvenile court is a highly specialized operation, requiring the most skilled and experienced leadership available.

It is my personal opinion, and it is shared in by many interested and informed individuals and community groups, that, because of the specialized nature of the work, consideration of an appointee should be nonpartisan and based solely upon qualification and experience.

Mr. President, at this point I ask unanimous consent to have appear in the RECORD a letter which I addressed to Judge Ketcham under date of March 13, 1958, and his reply under date of March 17, 1958, which I believe shows rather conclusively that Judge Ketcham is interested in improving the operation of the court, as well as in improving his knowledge regarding juveniles who come before him.

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

MARCH 13, 1958.

The Honorable ORMAN W. KETCHAM,
Juvenile Court, Washington, D. C.

DEAR JUDGE KETCHAM: I have your letter of March 7 requesting written confirmation of my request for a report on two aspects of the juvenile court.

First in connection with your recent visits to other juvenile courts, the number of days that these trips consumed. I have understood that you felt it desirable to see other juvenile courts in operation in order to be guided in formulating improved methods of operation of your own court.

Second, I believe it would be of interest to many Members of the Congress and to residents of the District of Columbia to know the number of days you have actually spent on the bench since taking your oath of office.

It is my hope that the informal nature of my request for above information, which was made by telephone, did not inconvenience you. This method was proposed as being more expeditious than through the medium of a written communication. Certainly you are at liberty to reply to this request or ignore it.

I shall continue to follow the activities of your court with great interest.

Sincerely yours,

J. ALLEN FREAR, Jr.

JUVENILE COURT,

Washington, D. C., March 17, 1958.

The Honorable J. ALLEN FREAR, Jr.,

United States Senate,
Washington, D. C.

DEAR SENATOR FREAR: In response to your letter of March 13, I have checked my personal calendar and diary to ascertain the information which you request.

By my calculation, in the 10 months between May 15, 1957, and last Friday, March 14, 1958, there were 208 business days. Court cases were scheduled for hearing on 202 of these days. I spent 11 business days visiting 7 cities; namely, Baltimore, Cleveland, New York, Philadelphia, Pittsburgh, Toledo, and Wilmington. The court's calendar was handled by a substitute judge on 9 of these days; on 2 of the days, no calendar was scheduled. Of the remaining 197 business days, I was on the bench 181 days and was at court with no calendar scheduled on 4 other days. Substitute judges sat for me on the other 12 days while I attended the annual conference of the National Council of Juvenile Court Judges for 3 days, appeared before the Senate and House District of Co-

lumbia Committees on 2 half days, was sick 1 day, and took 7 days' annual leave. I hope that this information will answer your questions.

Since you suggest that this information may also be of interest to the residents of the District, I am taking the liberty of sending a copy of this letter to the president of the Board of Commissioners, Robert E. McLaughlin.

Sincerely yours,

ORMAN W. KETCHAM.

Mr. FREAR. Mr. President, the selection of any person as judge of a juvenile court should be on the fundamental principle that he has the highest degree of qualification and experience in the work which would necessarily devolve upon him.

The selection of any person as judge of a juvenile court with a lesser degree of qualification and experience would inevitably result in a slowing down of procedures and a less effective operation of the court for at least a year, and perhaps much longer.

Much of the court's prestige will be lost and individuals coming before the court, and the community alike, will suffer.

The residency requirement for juvenile judges in the District of Columbia, prescribed by Congress in 1949, appears no longer to be a factor in the selection of a juvenile court judge for the District of Columbia.

That the 1949 act was intended as a supplement to the 1938 act is clear from the fact that the 1949 act did not include any provisions as to other qualifications, oath, salary, and so forth, already included in the 1938 act, but, rather, included only such additional provisions as were deemed necessary to correct a dire circumstance.

The other provisions of the 1938 act, except for the appointment of successors thereunder, remained unchanged.

It may be significant to note that the 1942 act, relating to appointment of judges to the municipal court, had a residency requirement similar to that contained in the 1949 act, relating to the juvenile court, and that another bill passed by the Senate in 1949, relating to the juvenile court judgeship, contained a residency requirement, though somewhat broader than the subject act.

It is reasonable to conclude from these facts and the expressed provision in the 1949 act, that Congress considered residency an important factor in the eligibility of appointees to both the juvenile and municipal court benches.

Further, it cannot be reasonable to argue that Congress would establish a residency requirement for a single appointee and, thereafter, hold such requirement inapplicable to subsequent appointees.

It seems clear that the present position of juvenile judge for the District of Columbia is one created by the 1949 act, and that this is the position to which Mr. Ketcham was nominated and that, as a nonresident, should have been ineligible.

Of course, I have previously stated, and still firmly believe, residency in the District of Columbia at the time of appointment is a statutory requirement and perhaps a desirable qualification.

In the appointment of Judge Ketcham we have seen the results of this inexperience, and, to my mind, a lack of certain necessary qualifications which have today resulted in a backlog of the cases and a diminution in the revenue presently being collected on support orders and, at least, temporary loss of prestige which the court had acquired under the previous capable and experienced judge.

Perhaps I would be more inclined to sympathize with the position in which Judge Ketcham now finds himself, had he, upon taking over his position as judge of this court, spent long hours in attempting to keep abreast of the case workload, rather than curtailing his time on the bench, together with greatly decreasing the number of cases he scheduled each day, and, thereby, creating the backlog as it now exists.

Mr. President, there is no use deceiving ourselves, an additional judge of this juvenile court, working the same hours and hearing the same number of cases now scheduled each day by Judge Ketcham, would not keep abreast of the present case workload.

Therefore, it is my candid opinion, that very soon we may be asked to enact legislation for the appointment of another judge, or to extend the personnel through appropriation in such number as to make the court an agency within itself.

I am somewhat inclined to believe the latter method is most desired by those who have the responsibility of this court.

In a letter to Mr. David P. Herman, Assistant Budget Officer for the District of Columbia, under date of August 19, 1957, Judge Ketcham, in an attempt to justify his request for a substantial increase in the budget for the 1959 fiscal year for the juvenile court, had this to say:

The juvenile court is at the heart of all community programs in the field of juvenile delinquency. It is the initiator of ideas and policy, the leaven in the mass, and the focal point for community attitudes. This is true in all cities: in Washington, the Federal City, it seems to me, we need a juvenile court which can and does give maximum service and is a model for the Nation.

Our request is for an increase of \$213,845; \$150,845 of this amount is for general increase, while \$63,000 is contingent upon the expected passage of a bill providing for the appointment of a second judge to the juvenile court. Of the \$213,845 requested, \$40,382 is for capital funds of a nonrecurring nature, leaving a recurring increase of \$173,463 from this year's base of \$487,700.

The requested increases are chiefly to permit employment of additional personnel urgently needed to carry out the work of the court. For example, \$88,405 of the requested general increase and \$41,630 of the increase contingent upon the second judgeship—or a total of more than \$130,000 of the proposed increase is for personal services. A total of 27 new positions, not including a second judge, are requested.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point a list of the 27 positions, in fact, 28, including the additional judge provided in this proposed legislation.

The PRESIDING OFFICER (Mr. CARROLL in the chair). Is there objection?

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

21 requested positions, fiscal 1959

| | |
|---|---------------|
| 1 GS-8, law clerk..... | \$4,970 |
| 1 GS-10, court reporter..... | 5,915 |
| 1 GS-10, assignment clerk..... | 5,910 |
| 1 GS-8, assistant assignment clerk..... | 4,970 |
| 1 GS-5, secretary to clerk of the court..... | 3,670 |
| 1 GS-6, cash accounting clerk..... | 4,080 |
| 2 GS-5, cash accounting clerks..... | 3,670 |
| 3 GS-7, case investigators (Department of Social Work)..... | 4,525 |
| 1 GS-9, case supervisor (Department of Social Work)..... | 5,440 |
| 2 GS-4, clerk stenographers..... | 3,415 |
| 1 GS-5, property assistant..... | 3,670 |
| 2 GS-3, file clerks..... | 3,175 |
| 1 GS-4, switchboard operator..... | 3,415 |
| 1 GS-9, statistical analyst..... | 5,440 |
| 1 GS-4, information clerk..... | 3,415 |
| 1 GS-4, file clerk..... | 3,415 |
| Total..... | 88,405 |

Furniture and equipment for additional equipment for additional personnel..... 42,765

| | |
|--|---------------|
| Additional personnel for second judge: | |
| 1 judge..... | 18,000 |
| 1 GS-7, court clerk..... | 4,525 |
| 1 GS-7, secretary to judge..... | 4,525 |
| 1 GS-6, secretary to administrative officer..... | 4,080 |
| 1 GS-5, summons clerk..... | 3,670 |
| 1 GS-4, bailiff..... | 3,415 |
| 1 GS-4, docket clerk..... | 3,415 |
| Total..... | 41,630 |

| | |
|-------------------------|---------------|
| Group insurance..... | 147 |
| Retirement..... | 2,706 |
| Grand total..... | 44,483 |

Mr. FREAR. Mr. President, I continue to read from the letter:

It is estimated that the workload of the court in fiscal 1959 will be 3,900 new cases filed and 20,000 hearings—up to 60 percent and 120 percent, respectively, from 1951.

Digressing for a moment from Judge Ketcham's letter, I direct the attention of the Senate to the estimated workload for fiscal year 1959. I again quote:

Three thousand nine hundred new cases and twenty thousand hearings—up to 60 percent and 120 percent, respectively, from 1951.

Just why Judge Ketcham compares his estimated workload for 1959 with 1951 can be easily ascertained when the annual report of the juvenile court of the District of Columbia for 1955-56, which I inserted in the CONGRESSIONAL RECORD on May 1, 1957, reveals a less favorable comparison when it is noted that 16,143 hearings were held in 1956 as against the estimated 20,000 for 1959. New cases in 1956 were 3,674, while in 1957 the number was 3,414, a decrease of 260 new cases. Comparing 1956 figures against the 1959 estimated number of new cases, Judge Ketcham anticipates an increase of only 226, even though the record shows a decrease in the 1957 and the 1958 figures over that of 1956.

Returning to Judge Ketcham's letter to Mr. Herman, he continues:

This budget increase request would provide a total of 113 staff members for the juvenile court, an increase over the 1951 staff of about 55 percent.

Mr. President, I ask unanimous consent to have placed in the RECORD a com-

parison of the workload, personnel, and budget of the District juvenile court for fiscal years 1951-59, inclusive.

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

Juvenile court—Comparison of workload, personnel, and budget (fiscal years 1951-59, inclusive)

| | 1951 | 1952 | 1953 | 1954 | 1955 | 1956 | 1957 | 1958 | 1959 |
|----------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|---------------------|------------------------|
| New cases filed..... | 2,450 | 2,650 | 3,142 | 3,464 | 3,273 | 3,674 | 3,414 | ¹ 3,650 | ¹ 3,900 |
| Court hearings: | | | | | | | | | |
| (a) Juvenile..... | 4,334 | 5,289 | 6,818 | 7,969 | 6,530 | 7,453 | 8,173 | ¹ 8,500 | ¹ 8,800 |
| (b) Adult..... | 4,735 | 4,944 | 5,337 | 6,876 | 7,365 | 8,690 | 9,743 | ¹ 10,500 | ¹ 11,200 |
| Total..... | 9,069 | 9,933 | 12,155 | 14,845 | 13,895 | 16,143 | 17,916 | ¹ 19,000 | ¹ 20,000 |
| Authorized personnel..... | 72 | 73 | 72 | 72 | 74 | 80 | 81 | 86 | ² 113 |
| Appropriations: | | | | | | | | | |
| (a) Personal services..... | \$283,000 | \$293,000 | \$299,000 | \$296,000 | \$314,000 | \$367,000 | \$384,000 | \$416,000 | ² \$547,000 |
| (b) Other funds..... | 31,000 | 31,000 | 32,000 | 32,000 | 33,000 | 40,000 | 44,000 | 71,000 | ² 114,000 |
| Total..... | 314,000 | 324,000 | 331,000 | 327,000 | 347,000 | 407,000 | 428,000 | 487,000 | 661,000 |

¹ Estimated.

² Requested.

³ Includes \$26,000 contribution to retirement fund (11).

Mr. FREAR. Mr. President, it would seem that we have a request for additional personnel and appropriations far above the percentage ratio of estimated new cases and hearings for fiscal 1959.

At this point I want to be fair by saying that it has recently come to my attention that there may be some downward revision of the amounts of moneys requested for fiscal 1959. However, the amounts which I have placed in the RECORD do coincide with those mentioned in Judge Ketcham's letter to Mr. Herman.

Another interesting item in the 1955-56 annual report, in which Judge Ketcham seems reluctant to mention any comparative figures to the amount of moneys collected by the court under his administration, is that the report reveals a total of \$785,105.85 collected in 1956, an increase of \$185,388.64 over the 1954-55 fiscal year.

While I have no record of the amount of money collected since May 1, 1957, the date Judge Ketcham assumed office, I am informed that collections under support orders have decreased sharply. In fact, I am advised that during the month of August 1957 there was some \$17,000 less collected than during the month of August 1956 under his predecessor.

Mr. President, not only will the cost of the additional personnel requested, with its need for increased appropriations, bear heavily upon the District; this decrease in the amounts of moneys collected under support orders will reflect itself in additional burdens on the Welfare Department and ultimately on the taxpayer.

On March 3 of this year I introduced S. 3390, to provide for the appointment of an additional judge of the juvenile court for the District of Columbia, which was referred to the Senate Committee on the District of Columbia.

This bill embodies certain provisions which, if enacted, I feel would materially aid in establishing criteria by which the Senate of the United States would require to be met by this additional appointee judge and those who may be selected in years to come.

I had hoped that the Senate Committee on the District of Columbia, through its Subcommittee on Judiciary,

would afford individuals and groups the opportunity to present their views toward the present situation confronting the District of Columbia juvenile court, and, perhaps, substantiate my views that the present court would have been more capably operated had the present incumbent possessed the requisite qualifications, heretofore stated.

I had hoped also that the Joint Committee on Washington Metropolitan Problems would be sufficiently cognizant of the acute situation presently confronting this court, and would take it upon itself to investigate the juvenile court and its operations, with the view of recommending proper legislation necessary to provide an efficient juvenile court for the District of Columbia, even to the extent of recognizing the need for an additional judge well qualified in juvenile court procedures.

Mr. President, my hopes in this direction are not accomplished. Therefore, I feel it to be my duty to offer three amendments, which I believe will strengthen the present code, and will require a higher degree of experience and qualifications on the part of anyone to be selected as an additional judge under the provisions of H. R. 7785.

Mr. President, is the bill now open to amendment?

The PRESIDING OFFICER. The bill is open to amendment.

Mr. FREAR. Mr. President, I call up my amendment to H. R. 7785 identified as "3-3-58-A."

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The Chief Clerk read as follows:

On page 4, line 15, it is proposed to strike out "(a)."

On page 4, line 16, beginning with the first comma, strike out all through "court" on line 20.

Mr. FREAR. Mr. President, this is a very simple amendment.

The PRESIDING OFFICER. Does the Senator from Delaware desire to have his amendments considered en bloc?

Mr. FREAR. I prefer that they be considered separately.

Mr. CLARK. But the Senator does not have any objection to the amendments "A" being considered en bloc, does

he; in other words, all of amendment "A"?

Mr. FREAR. Oh, no. I mentioned three amendments. I thought the Chair meant all three amendments. I prefer that each amendment by designation be considered separately, but the one designated "A" may be considered in its entirety.

This is a very simple amendment. It can be very quickly explained, and I doubt that much time need be taken for its consideration.

There has been considerable concern because section 4 of the pending bill provides the court the power to appoint a clerk and a deputy clerk who shall hold office at the pleasure of the court.

This section of the bill would remove 2 employees from the protection of civil service and would endow the court with power to appoint 2 others to replace them.

If the case workload has increased to the extent that exists today, would it not, by the same token, be possible that the operation of the court would be further curtailed by the replacement of these experienced employees by two others who would not be experienced?

Mr. President, with the enactment of H. R. 7785, the chief judge would, no doubt, be chargeable with the business of the court, so why should two important positions be removed from civil service protection and the court be made the hiring authority? Mr. President, was it intended that, under section 4, one judge would have the patronage of a new clerk, and the other the appointment of a deputy clerk?

I feel that the efficiency of operation in the juvenile court requires the continuation of the present statutory requirement of qualification for all positions, including the clerk and deputy clerk thus to be eliminated.

Mr. President, I ask for the consideration of my amendment.

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

Mr. FREAR. I yield.

Mr. CLARK. The chairman of the Committee on the District of Columbia, the distinguished Senator from Nevada [Mr. BIBLE], who is on the floor, and I have conferred with the other members of the Committee on the District of Columbia. We shall be happy to accept the amendment designated "3-3-58-A," offered by the distinguished Senator from Delaware.

The reason why the amendment was not made within the committee was that some of us had hoped last year that in the closing days of the 1st session of the 85th Congress the House bill could be passed, and an additional judge, who, as we thought, was urgently needed to pick up the very heavy caseload, appointed and put to work during the summer recess. We therefore were a little less critical than we might otherwise have been of the House version of the bill, and we did not insist on the amendment.

But I think we all feel the amendment offered by the Senator from Delaware is sound. The distinguished Senator from South Carolina [Mr. JOHNSTON], the chairman of the Committee on Post Of-

fice and Civil Service, has asked me to state on his behalf that he, too, supports the amendment and is very hopeful the Senate will agree to it.

Mr. FREAR. Do I correctly understand that the chairman of the Committee on the District of Columbia is willing to accept the amendment?

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

Mr. FREAR. I yield.

Mr. BIBLE. I heartily concur in the remarks just made by the distinguished Senator from Pennsylvania, the chairman of the Subcommittee on the Judiciary. The matter has been discussed with the other members of the committee, and also with the Senator from South Carolina. We are perfectly happy to accept the amendment.

Mr. FREAR. I am grateful to the chairman of the committee.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. FREAR. Mr. President, I call up my amendment designated "3-3-58-B" and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The CHIEF CLERK. On page 4, between lines 24 and 25, it is proposed to insert the following new section:

SEC. 6. The Juvenile Court Act of the District of Columbia is amended by adding at the end thereof the following new section:

"SEC. 45. The chief judge or the acting judge of the juvenile court shall submit to the Attorney General of the United States and to the Chairman of the Board of Commissioners of the District of Columbia a detailed quarterly report of the work of the court, such report to be made within 30 days of the end of the quarter, and to include the number of juvenile and adult cases heard, the number of juvenile and adult cases calendared, the number of juvenile and adult complaints filed, the number of juvenile cases closed without court hearing, moneys collected for fines and support of legitimate and illegitimate family members, and such other information as may reflect the court's operation and volume of work. A copy of such report shall be kept in the office of the clerk of the court and be subject to public inspection during the regular hours that the court shall be open for business."

On page 4, line 25, strike out "SEC. 6" and insert in lieu thereof "SEC. 7."

Mr. FREAR. Mr. President, this also is a very simple amendment, and I believe it is noncontroversial.

The amendment would require the chief judge, or the acting chief judge, of the juvenile court of the District of Columbia, to submit to the Attorney General of the United States and to the Chairman of the Board of Commissioners of the District of Columbia, a detailed quarterly report on the work of the court, such report to be made 30 days after the end of the quarter, and to include a statement of the number of juvenile and adult cases heard, the number of juvenile and adult cases on the calendar, the number of juvenile and adult complaints filed, the number of juvenile cases closed without court hearing, the moneys collected for fines and support of legitimate or illegitimate family members, and such

other information as may reflect the court's operation and volume of work.

My amendment further provides that a copy of such report shall be kept in the office of the clerk of the court, and shall be subject to public inspection during the regular hours when the court is open for business.

Judge Ketcham's predecessor did, in recent years, although it was not a legislative requirement, draft and issue annually a report of the court's operation.

Mr. President, it is my understanding that almost all other courts and agencies within the District of Columbia are required to make such reports. So I see no reason why the juvenile court of the District of Columbia should not, also, be required to do so, inasmuch as it is now about to become a two-judge court.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Delaware.

Mr. BIBLE. Mr. President, will the Senator from Delaware yield for several questions and for an observation?

Mr. FREAR. Yes; preferably for an observation. [Laughter.]

Mr. BIBLE. Mr. President, I am sure the questions will simply be clarifying ones.

I wonder whether the Senator from Delaware will indicate how he arrived at the proposal for quarterly reports. Are the reports of this court now made quarterly?

Mr. FREAR. I think the object was to have the records kept more current.

Mr. BIBLE. Are the reports of the municipal court for the District of Columbia made quarterly?

Mr. FREAR. I understand that is the case.

Mr. BIBLE. So that portion of the amendment is patterned after the present procedure for reports by the municipal court of the District of Columbia; is it?

Mr. FREAR. Yes.

Mr. BIBLE. And under the provisions of the amendment, the reports of the Juvenile Court are to be made on a quarterly basis, are they?

Mr. FREAR. Yes.

Mr. BIBLE. Mr. President, the Senator from Pennsylvania [Mr. CLARK] has discussed this matter with me, and we have discussed it with other members of the committee. If my memory serves me correctly, I do not believe this particular amendment was made at the time the bill was before the committee.

I see no objection to the amendment; I think we can agree to it.

I suggest that on page 1 of the amendment, in line 8, the word "Chairman" be stricken and the word "President" be substituted, as a modification of the amendment. I think the person concerned is the President of the Board of Commissioners of the District of Columbia.

Mr. FREAR. Mr. President, I am glad to accept that modification of my amendment; I am sure the modification is a worthy one.

The PRESIDING OFFICER. The Senator from Delaware has a right to modify his own amendment.

Mr. FREAR. Mr. President, I modify my amendment accordingly.

The **PRESIDING OFFICER.** The question is on agreeing to the modified amendment submitted by the Senator from Delaware.

The amendment, as modified, was agreed to as follows:

On page 4, between lines 24 and 25, insert the following new section:

"Sec. 6. The Juvenile Court Act of the District of Columbia is amended by adding at the end thereof the following new section:

"Sec. 45. The chief judge or the acting chief judge of the juvenile court shall submit to the Attorney General of the United States and to the President of the Board of Commissioners of the District of Columbia a detailed quarterly report of the work of the court, such report to be made within 30 days of the end of the quarter, and to include the number of juvenile and adult cases heard, the number of juvenile and adult cases calendared, the number of juvenile and adult complaints filed, the number of juvenile cases closed without court hearing, moneys collected for fines and support of legitimate and illegitimate family members, and such other information as may reflect the court's operation and volume of work. A copy of such report shall be kept in the office of the clerk of the court and be subject to public inspection during the regular hours that the court shall be open for business."

On page 4, line 25, strike out "Sec. 6" and insert in lieu thereof "Sec. 7."

Mr. FREAR. Mr. President, I call up my amendment which is identified as "3-3-58-C," and ask that it be stated. It is my last amendment.

The **PRESIDING OFFICER.** The amendment will be stated.

The **CHIEF CLERK.** On page 2, in line 3, beginning with the comma, it is proposed to strike out all through the period on line 8, and to insert in lieu thereof the following:

(1) have been a member of the bar of the District of Columbia for a period of 5 years immediately preceding his appointment and have had (A) 5 years of trial experience before the courts during such period, or (B) previous judicial experience, (2) have been a resident of the District of Columbia for at least 5 years immediately preceding his appointment, (3) have a broad knowledge of social problems and procedures and an understanding of child psychology, and (4) have had actual experience in working with local social problems and youth problems of the District of Columbia.

On page 2, in line 2, beginning with the word "For", it is proposed to strike out all through the period on line 24.

The **PRESIDING OFFICER.** The question is on agreeing to the amendment of the Senator from Delaware.

Mr. FREAR. Mr. President, varied opinions have developed because of an amendment adopted by Congress in 1949, when it was necessary to enact temporary legislation to permit the appointment of a single juvenile judge to replace the then mentally ill judge.

Because Congress had no constitutional power to terminate the appointment of the ill judge, it authorized the creation of a temporary additional or second judge. Once the emergency was dealt with, future judges were to be appointed under the existing permanent legislation providing for the appointment, qualifications, oath, and salary of a juvenile court judge.

I believe the Record will show that the 1949 amendment merely attempted to take care of a very dire emergency situation, and was intended only as an emergency measure, in order that a person could be appointed and placed upon the bench at a time when a judge was very badly needed.

It is my understanding, and was so stated at that time, that the proposed 1949 act would not make any change with respect to qualifications; but even this did not satisfy certain Members of the Senate.

Without further debate the bill was amended, on the floor of the Senate, to require that even the temporary appointee provided for in the bill must be a resident of the District of Columbia.

Therefore, Mr. President, I believe it has been clearly determined that the basic legislation which originally established the juvenile court of the District of Columbia clearly stated that any person considered as an appointee to the juvenile court for the District of Columbia must reside in the District.

By its floor amendment, Congress also clearly declared its intent that the judge of the District of Columbia juvenile court must be a resident of the District of Columbia at the time of his appointment.

I feel certain other requirements must also be adhered to, if we are to authorize the selection for the juvenile court of a judge having knowledge of all the many facets pertaining to a juvenile court.

Mr. President, I request the adoption of my amendment.

Mr. CLARK. Mr. President, with great reluctance the committee is unwilling to accept the final amendment submitted by our good friend, the Senator from Delaware.

It is the view of the committee that the committee bill—which in essence is House bill 7785—adequately states the necessary qualifications for a judge of the juvenile court of the District of Columbia, and that the restrictions proposed by the amendment of the Senator from Delaware would unduly limit the choice of the one empowered to appoint a qualified person to that position.

More specifically, it is not believed by the committee that five years of trial experience before the courts, during the period in which the appointee has been a member of the bar of the District of Columbia, is really essential. Many a good juvenile court judge has not been a trial judge. Civil court trial experience is quite different from juvenile court work; and, Mr. President, in my judgment as a member of the bar, the average civil court lawyer is not particularly well qualified to be a juvenile court judge, and would not be rendered more so merely as a result of having tried a number of cases in the civil courts.

Similarly, a lawyer with criminal-court trial experience—even one with a good deal of criminal court experience—is not particularly well qualified to be a juvenile court judge just because of the fact that he has tried a number of cases before a criminal-court jury.

Furthermore, the committee would object quite strenuously to the proposed re-

quirement for previous judicial experience. It would be almost impossible to find a person with previous judicial experience who would be willing to accept appointment to this court of strictly limited jurisdiction. If I had the appointive power, I believe I would be quite unhappy with such a restriction, even though it is proposed only in alternative form.

Perhaps the part of the amendment to which the committee takes the greatest exception is the one requiring residence in the District of Columbia for at least 5 years immediately preceding the appointment. Modern urban life and the juvenile court problems which are created in a large metropolitan area such as Washington, D. C., call for the appointment to the juvenile court of a judge of the widest possible experience. Unhappily, in many areas, many of the ablest and brightest members of the bar have fled from the core of the central city to the surrounding suburbs, perhaps because of success in their chosen career, and because, in many instances, of better living conditions there.

Generally speaking, it is the judgment of the committee that it would be a great mistake to remove that great reserve of brains which has gone out of the District of Columbia into Maryland and Virginia from being a source of appointment to the juvenile court.

To state it somewhat less obscurely, it is the judgment of the committee that lawyers living in the greater Washington metropolitan area should be available for appointment to the court, in order that the field from which the appointing authority can select may be expanded.

With respect to the third qualification in the proposed amendment, it is identical with the present language of the committee bill, except that the adjective "broad" has been added in the amendment of the Senator from Delaware, so that his amendment reads that the appointee must have a broad knowledge of social problems and procedures and an understanding of child psychology. It seems the thought is adequately conveyed in the present committee bill, H. R. 7785.

The final qualification of actual experience of working with local social problems and youth problems of the District of Columbia would be fine if it did not again unduly restrict the choice of the appointing power.

The time, unhappily, may well come when it would not be possible to find an individual having qualifications because of such onerous restrictions.

I suggest that the legislative history we have already made today with respect to the qualifications of any appointee to the juvenile court would give adequate protection and adequate notice to the appointing power of the kind of individual who should get the position. It would perhaps be a guidepost both to the President, and to the Senate when it comes to confirming the nomination of the appointee. I should dislike to impose more onerous restrictions on qualifications for appointment to the court.

In view of the explanation, and in view of what I consider to be a very fine legislative history which the Senator from

Delaware has made this afternoon, I hope he will agree to withdraw his amendment and go along with the other members of the committee in relying on the qualifications as set forth in the bill.

Mr. FREAR. I am pretty well convinced that the Senator from Pennsylvania has made a good case for himself. I should like to ask him a question or two, if I may be permitted.

I gathered the Senator did not disagree with the fourth item in my amendment so long as persons with such qualifications were available within the District of Columbia, but the Senator was fearful that at some time in the future there might not be qualified persons in the District of Columbia who could become judges, and he therefore would not want to restrict the qualifications of future appointees. Is that correct?

Mr. CLARK. That is my fear, yes. My experience has been that it really is difficult to get qualified persons in this field.

A qualification that an appointee must have had actual experience in working with local social problems and youth problems of the District of Columbia is a desirable qualification; but we might find that an individual had moved to Washington, had been a member of the bar for 5 years, but had moved out of the Washington city limits, and was qualified in every other respect except that. I am in sympathy with the objective. I speak as a former executive when I say I am afraid that legislative restrictions on appointing powers are not desirable. I fear such restrictions would make it impossible to appoint qualified individuals who did not happen to have that particular qualification.

Mr. FREAR. The Senator does not mean that the appointing power would not follow the statute, does he?

Mr. CLARK. No; but I am fearful that such a provision would exclude really qualified individuals. I hope the Senator will go along with the rest of the members of the committee and not press for the amendment, in view of the cooperation he has received in respect to his two other amendments which have strengthened the bill.

Mr. FREAR. There is nothing I would rather do than agree to the request of the chairman of the full committee and the chairman of the subcommittee, but I have a very considerable feeling about the matter. As the Senator from Pennsylvania has stated, the legislative history has been put into the RECORD, and I feel much better about it now than I did earlier. I wish I could accede to the request of the Senator from Pennsylvania, but, under the conditions, I know he will not put a black mark against our mutual friendship if I am unable to grant his request.

Mr. CLARK. Disagreement is the essence of the life of the Senate. I am sorry the Senator cannot concur in the request, but I understand his reasons.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Delaware.

The amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. KENNEDY. Mr. President, I send an amendment to the desk and ask to have it stated.

The PRESIDING OFFICER. The amendment of the Senator from Massachusetts will be stated.

The LEGISLATIVE CLERK. It is proposed on page 2, line 3, after the word "years", to strike out "immediately preceding his appointment."

Mr. KENNEDY. Mr. President, the current law provides only that an appointee be a member of the bar, preferably of the District of Columbia. The new bill provides that the appointee must be a member of the bar of the District of Columbia and a resident of the District of Columbia or its metropolitan area, and that these conditions must have been in effect for at least 5 years immediately preceding the appointment.

The additional requirements are reasonable except for the condition that 5 years of residence must immediately precede the appointment. There are many qualified members of the bar who are acquainted with conditions in the District, as is suggested by the requirement, but who, because of the nature of residency in the District of Columbia, may move away from the District for 4 or 5 months during a prolonged absence due to another job or another way of life.

My amendment takes out the word "immediately", but still retains the requirement of 5 years of residence.

Mr. BIBLE. Mr. President, will the Senator yield for a question?

Mr. KENNEDY. I yield.

Mr. BIBLE. Exactly what does the amendment do? We do not have a printed amendment, and I am not clear as to what the amendment does.

Mr. KENNEDY. My amendment strikes out the word "immediately" on page 2, line 3, of H. R. 7785, so that the 5-year requirement remains in the bill, but the word "immediately" is dropped.

Mr. BIBLE. Will the Senator from Massachusetts yield further?

Mr. KENNEDY. Yes.

Mr. BIBLE. The Senator from Massachusetts has discussed this amendment with both the distinguished chairman of the Judiciary Subcommittee and me. We have no objection to the amendment, and are happy to accept it.

Mr. KENNEDY. I appreciate that.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Massachusetts.

The amendment was agreed to.

The PRESIDING OFFICER (Mr. FREAR in the chair). The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read the third time.

The bill was read the third time and passed.

Mr. BIBLE. Mr. President, needless to say I am very happy about the final passage of this very important, worthwhile, and needed legislation for the District of Columbia. I should like to commend my able and distinguished friend

from Pennsylvania [Mr. CLARK] for his work, zeal, and diligence as to this particular juvenile court bill. I should also like to commend the present occupant of the chair [Mr. FREAR] for his fairness. Although our viewpoints may have differed a little here and there along the legislative path, the Senator from Delaware has always been understanding and helpful about bringing the bill to the Senate for final passage without delay.

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

Mr. BIBLE. I am happy to yield to the Senator from Pennsylvania.

Mr. CLARK. I want to thank my friend from Nevada for his kind remarks. I merely point out for the RECORD that the Senator from Nevada is the chairman of the committee and he is responsible in large part for the unanimity with which we were able to get the bill passed. I am only grateful for having had an opportunity to work under the direction of the Senator from Nevada in connection with the bill.

Mr. BIBLE. I thank the Senator from Pennsylvania.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. BEAL in the chair). Without objection, it is so ordered.

PRINTING OF COMMITTEE PRINT "RECRUITING AND TRAINING FOR THE FOREIGN SERVICE OF THE UNITED STATES" AS A SENATE DOCUMENT

Mr. BIBLE. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1447, Senate Resolution 281.

The PRESIDING OFFICER. The resolution will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A resolution (S. Res. 281) authorizing the printing of the committee print Recruitment and Training for the Foreign Service of the United States, as a Senate document.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nevada.

The motion was agreed to; and the Senate proceeded to consider the resolution.

The PRESIDING OFFICER. The resolution is open to amendment. If there be any amendment to be proposed, the question is on agreeing to the resolution.

The resolution was agreed to, as follows:

Resolved, That the committee print, Recruitment and Training for the Foreign Service of the United States, prepared as a staff study for the Committee on Foreign Relations, be printed as a Senate document, and that 1,000 additional copies be printed for the use of the Committee on Foreign Relations.

EXCHANGE OF CERTAIN LANDS AT BLACK CANYON OF THE GUNNISON NATIONAL MONUMENT, COLO.

Mr. BIBLE. Mr. President, I ask unanimous consent for the present consideration of House bill 5934. I am advised that this bill is identical with Calendar No. 1434, Senate bill 1697.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 5984) to authorize the exchange of certain lands at Black Canyon of the Gunnison National Monument, Colo., and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Nevada?

There being no objection, the Senate proceeded to consider the bill.

Mr. BIBLE. Mr. President, the bill, if enacted, would enable the Department of the Interior to acquire private inholdings within the Gunnison National Monument which are blocking plans for development in the area.

A recent Government resurvey of lands within the Gunnison National Monument has demonstrated the existence of errors in a plat based on an 1884 survey. Through the land exchanges authorized by this bill, the Government would acquire a privately owned tract which would permit the development of suitable roads, a headquarters, campgrounds, and other visitor-use facilities. Development of these features is impossible until the tract of land in question is brought into Federal ownership.

The contemplated exchanges would be on a basis of equal value. The land to be exchanged by the Government will subsequently be excluded from the exterior boundaries of the monument, thus fully achieving the desired consolidation of Federal holdings in this area.

The PRESIDING OFFICER. The bill is open to amendment.

Mr. CARLSON. Mr. President, I am not familiar with this bill. I have no personal interest in it. However, when we begin to transfer property, I know that the Senator from Oregon [Mr. Morse] is interested. I should like to ask if the Senator from Nevada knows whether or not this bill complies with the so-called Morse formula.

Mr. BIBLE. I am very happy to have the Senator from Kansas ask that question. The bill has been discussed with the Senator from Oregon. I am well aware of his interest in the so-called Morse formula. He states that he has no objection to the bill.

Mr. CARLSON. I thank the Senator. I have no objection.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

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

Mr. BIBLE. Mr. President, I ask that Calendar No. 1434, Senate bill 1697, be indefinitely postponed.

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

BOARD OF TRUSTEES OF THE POSTAL SAVINGS SYSTEM

Mr. BIBLE. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1460, Senate bill 2033.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 2033) to provide for the Board of Trustees of the Postal Savings System to consist of the Postmaster General and the Secretary of the Treasury.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nevada.

The motion was agreed to; and the Senate proceeded to consider the bill.

The PRESIDING OFFICER. The bill is open to amendment.

Mr. BIBLE. Mr. President, S. 2033 is designed to revise the membership of the Board of Trustees of the Postal Savings System.

Membership on the board now consists of the Postmaster General, the Secretary of the Treasury, and the Attorney General. The bill would reduce the membership to include only the Postmaster General and the Secretary of the Treasury.

The Post Office Department in requesting the change reported that, whatever the reason for designating the Attorney General as a member of the Board of Trustees at the time the Postal Savings System was established, that reason no longer pertains. The Post Office Department was joined by the Attorney General and the Secretary of the Treasury in urging early enactment of the measure.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the second sentence of the first section of the act entitled "An act to establish postal savings depositories for depositing savings at interest with the security of the Government for repayment thereof, and for other purposes," approved June 25, 1910 (36 Stat. 814), as amended (39 U. S. C. 751), is hereby further amended by striking out "the Secretary of the Treasury, and the Attorney General," and inserting in lieu thereof "and the Secretary of the Treasury."

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

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. BIBLE. Mr. President, I do not know whether, before the quorum call, I moved to lay before the Senate Calendar No. 1424, H. R. 7930.

The PRESIDING OFFICER. There is no business pending before the Senate.

LONGEVITY STEP INCREASES OF POSTAL FIELD SERVICE EMPLOYEES

Mr. BIBLE. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1424, H. R. 7930.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 7930) to correct certain inequities with automatic step-increase anniversary dates and longevity step increases of postal field service employees.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nevada.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Post Office and Civil Service with amendments on page 5, after line 4, to insert:

SEC. 4. (a) Section 802 (a) of the Classification Act of 1949, as amended (5 U. S. C. 1132), is amended by inserting after the word "position" where it appears in clause (1) and where it appears for the first time in clause (2) the words "in the legislative, judicial, or executive branch", and by inserting before the semicolon at the end of clause (4) the following: "in any position subject to this act following service in any position in the legislative, judicial, or executive branch."

(b) Such section is further amended by adding at the end thereof a new subsection as follows:

"(c) Any employee in the legislative branch whose compensation is disbursed by the Secretary of the Senate or the Clerk of the House of Representatives, and who has completed 2 or more years of service as such an employee, may upon appointment to a position subject to the Classification Act of 1949 have his initial rate of compensation fixed at the minimum rate of the appropriate grade, or at any step of such grade that does not exceed the highest previous rate of compensation received by him during such service in the legislative branch."

(c) The amendments made by this section shall take effect as of January 1, 1958.

And, on page 6, after line 2, to insert:

SEC. 5. Section 2 (b) of the act entitled "An act extending the classified executive civil service of the United States", approved November 26, 1940, as amended (5 U. S. C. 631b (b)), is amended by striking out "any person who shall have served for 4 years as a secretary, clerk, or assistant clerk to a Senator, Representative, Delegate, or Resident Commissioner, or as a clerk or assistant clerk to a standing committee of the Senate or House of Representatives or as a clerical employee of the Senate or House of Representatives" and inserting in lieu thereof the following: "any person who shall have completed 2 or more years of service as an employee in the legislative branch in a position the compensation for which is disbursed by the Secretary of the Senate or the Clerk of the House of Representatives."

Mr. JOHNSTON of South Carolina. Mr. President, the bill was reported unanimously, as I recall, by the Committee on Post Office and Civil Service. Since it was reported, the Senator from Kansas [Mr. CARLSON] wishes to offer an amendment. I shall accept the amendment; then I shall make a statement about the bill.

Mr. CARLSON. Mr. President, I offer an amendment on page 6, line 13, to

strike out "two" and insert in lieu thereof "three."

I offer the amendment for the reason that employees in the executive branch of the Government are required to serve the traditional period of 3 years before they may become permanent civil-service employees. The bill would have permitted legislative employees to serve only 2 years in order to acquire permanent status.

The amendment, if agreed to—and the chairman has been kind enough to say that he will accept it—will provide for legislative employees on the same basis as employees of the executive branch.

The PRESIDING OFFICER. The amendment of the Senator from Kansas is to the committee amendment and is, therefore, in order. The clerk will state the amendment of the Senator from Kansas to the committee amendment.

The LEGISLATIVE CLERK. On page 6, line 13, it is proposed to strike out "two" and insert in lieu thereof "three."

Mr. JOHNSTON of South Carolina. As the chairman of the committee, I accept the amendment of the Senator from Kansas. The reason why 2 years was placed in the bill was that in the House, when a Representative did not run or was defeated after serving 2 years, the employees of the Representative were left up in the air, so to speak. The bill does not affect the Senate, except in a few cases when death might occur or when a person was appointed a Senator for an unexpired term. So far as the 6-year tenure is concerned, the bill does not affect Senate employees, as can be seen. But the Senator from Kansas desires to provide the 3-year period for the legislative branch as is the case in the executive branch. I do not object to the amendment, and will accept it.

The purpose of the bill, as passed in the House, is to correct two separate, but related, inequities resulting from the conversion of certain employees to the pay schedules under the Postal Field Service Compensation Act of 1955 from the general schedule of the Classification Act.

The Postal Pay Act of 1955 provides for the crediting, for periodic step increases under the act, only prior service in the Post Office Department, with one exception which relates to custodial employees of the Department of the Treasury who also serve the Post Office Department. After the act was passed, it was learned that the restriction would penalize a small group of employees somewhat similarly situated. These employees were on the payroll of the General Accounting Office but were engaged exclusively in the performance of accounting functions of the Post Office Department. After the 1955 act passed, the accounting function in which they were engaged and employed was transferred to the Post Office Department. This action, in view of the restriction in the Postal Pay Act, has resulted in their losing time for automatic advancement in pay. This result was not intended. H. R. 7930 corrects this inadvertence.

COMMITTEE AMENDMENT

The committee amendment adds section 4 and 5 to the House approved bill.

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These sections are designed to solve two separate problems, one or both of which arise occasionally in connection with the transfer of an employee from the judicial or legislative branch to a position in the executive branch.

EXPLANATION OF COMMITTEE AMENDMENT

Section 801 of the Classification Act provides that all new appointments shall be made at the minimum rate of the appropriate grade.

Section 802 provides, however, that in the case of a transfer from one position to another, the basic compensation of the employee shall be governed by regulations of the Civil Service Commission.

The Comptroller General has ruled that the movement of an employee from the legislative branch to the executive branch is not a transfer and, therefore, his attachment to the executive branch results from a new appointment.

Under this ruling, the employee is compelled to start at the minimum rate of the appropriate grade of the position even though he was receiving a higher salary in the judicial or legislative branches, notwithstanding the fact that the agency, as a matter of equity, would like to fix his pay at a higher step rate than the minimum rate.

Section 4 removes this impediment so that when such employees move to the executive branch they can be treated the same as other Federal employees under the Civil Service Commission's regulations.

Section 5 relates to the acquisition of status. The so-called Ramspeck Act of 1949 established a basis for judicial and legislative employees to acquire status, a necessary prerequisite for employment in the executive branch. Certain positions now existing were not in existence at that time and thus were not specified in the act. As a result, the occupants of such positions have no way of establishing eligibility for status as does the occupants of positions that were specifically named. Section 5 amends the Ramspeck Act so that it will apply uniformly to all judicial and legislative employees.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Kansas to a committee amendment.

The amendment to the committee amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment, as amended.

The amendment, as amended, was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

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

EVA S. WINDER

Mr. BIBLE. Mr. President, I move the Senate proceed to the consideration of Calendar No. 1453, S. 488.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 488) for the relief of Eva S. Winder.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nevada.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary with an amendment in line 8, after the year "1946", to strike out "No interest shall be allowed on the refund claimed for the year 1945 for any period of time after June 18, 1952, and on the refund claimed for the year 1946 for any period of time after July 2, 1952." and insert "No interest shall be allowed on the refunds claimed herein for any period of time", so as to make the bill read:

Be it enacted, etc., That, notwithstanding section 3774 (b) of the Internal Revenue Code of 1939, the Secretary of the Treasury shall consider, and allow if otherwise allowable, the claims filed on March 9, 1948, by Eva S. Winder, of Deming, N. Mex., for refunds of overpayments of her income taxes for the years 1945 and 1946. No interest shall be allowed on the refunds claimed herein for any period of time.

Mr. BIBLE. Mr. President, the purpose of the proposed legislation, as amended, is to provide that notwithstanding section 3774 (b) of the Internal Revenue Code of 1939, the Secretary of the Treasury shall consider, and allow if otherwise allowable, the claims filed on March 9, 1948, by Eva S. Winder, of Deming, N. Mex., for the refund of overpayments of her income taxes for the years 1945 and 1946.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

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

CASEY JIMENEZ

Mr. BIBLE. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1454, S. 1879.

The PRESIDING OFFICER (Mr. CARLSON in the chair). The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1879) for the relief of Casey Jimenez.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nevada.

The motion was agreed to; and the Senate proceeded to consider the bill which had been reported from the Committee on the Judiciary, with an amendment, on page 2, line 1, after the word "Act," to strike out "in excess of 10 per centum thereof", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to

pay, out of any money in the Treasury not otherwise appropriated, to Casey Jimenez, of Tucumcari, N. Mex., a veteran of World War II, the sum of \$1,292, representing the amount expended by the said Casey Jimenez for an emergency operation after he had been refused admittance to the veterans hospital in Amarillo, Tex., and for medical and hospital expenses incurred incident to such operation: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

Mr. BIBLE. Mr. President, the purpose of the proposed legislation, as amended, is to authorize and direct the Secretary of the Treasury to pay, out of any money in the Treasury not otherwise appropriated, to Casey Jimenez, of Tucumcari, N. Mex., a veteran of World War II, the sum of \$1,292, representing the amount expended by the said Casey Jimenez for an emergency operation after he had been refused admittance to the veterans hospital in Amarillo, Tex., and for medical and hospital expenses incurred incident to such operation.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

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

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSTON of South Carolina. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BEALL in the chair). Without objection, it is so ordered.

REDUCTION IN INSURANCE OF PERSONS OVER AGE 65

Mr. JOHNSTON of South Carolina. Mr. President, I wonder if there is any Senator present who objects to the bill presently before the Senate?

The PRESIDING OFFICER. There is no bill before the Senate.

Mr. JOHNSTON of South Carolina. I move that the Senate take up Calendar No. 709, Senate bill 2127, for consideration at this time.

The PRESIDING OFFICER. The clerk will state the bill by title.

The LEGISLATIVE CLERK. A bill (S. 2127) to amend section 3 (d) of the Federal Employees' Group Life Insurance Act of 1954 relating to the reduction in amounts of insurance of persons over the age of 65.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from South Carolina.

Mr. JOHNSTON of South Carolina. Mr. President, out of courtesy to Members who may not know the bill is to be considered at this time, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSTON of South Carolina. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. CARLSON in the chair). Without objection, it is so ordered.

The question is on agreeing to the motion of the Senator from South Carolina [Mr. JOHNSTON] to proceed to the consideration of the bill (S. 2127).

The motion was agreed to, and the Senate proceeded to consider the bill (S. 2127) to amend section 3 (d) of the Federal Employees' Group Life Insurance Act of 1954, relating to the reduction in amounts of insurance of persons over the age of 65, which had been reported from the Committee on Post Office and Civil Service, with an amendment, on page 2, after line 2, to insert:

SEC. 2. The amendment made by this act shall take effect as of August 17, 1954, except that it shall not be applicable in any case in which the employee's death or retirement occurred prior to the date of enactment of this act.

So as to make the bill read:

Be it enacted, etc., That so much of section 3 (d) of the Federal Employees' Group Life Insurance Act of 1954, as amended, as precedes the proviso is amended to read as follows:

"(d) Each of such amounts of insurance shall be reduced by 1 percent thereof at the end of each full calendar month following the date the employee attains age 65, subject to minimum amounts prescribed by the Commission, but not less than 50 percent of the insurance in force immediately preceding the first reduction provided herein."

SEC. 2. The amendment made by this act shall take effect as of August 17, 1954, except that it shall not be applicable in any case in which the employee's death or retirement occurred prior to the date of enactment of this act.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. JOHNSTON of South Carolina. Mr. President, I offer the amendments to the bill which are at the desk, and I ask unanimous consent that they be considered en bloc.

The PRESIDING OFFICER. The amendments will be stated for the information of the Senate.

The LEGISLATIVE CLERK. On page 1, line 3, after "That", it is proposed to insert "(a)".

On page 2, line 3, strike out "Sec. 2." and insert "(b)".

On page 2, line 3, strike out "Act" and insert "section".

At the end of the bill add the following:

SEC. 2. Section 5 (a) of such act is amended by striking out "25 cents" and inserting in lieu thereof "32 cents".

SEC. 3. (a) Section 6 of such act is amended by striking out "fifteen" wherever it appears in such section and inserting in lieu thereof "twelve".

(b) The amendment made by this section shall be effective only in the case of employees who retire on or after the date of enactment of this act.

The PRESIDING OFFICER. Is there objection to the request of the Senator from South Carolina that the amendments be considered en bloc? The Chair hears none, and it is so ordered.

Mr. JOHNSTON of South Carolina. I thank the Chair.

The PRESIDING OFFICER. The question is on agreeing to the amendments of the Senator from South Carolina [Mr. JOHNSTON] en bloc.

The amendments were agreed to en bloc.

Mr. JOHNSTON of South Carolina. Mr. President, as Senators will recall, the bill was reported last year and was then sent back to the committee. The last amendments adopted, of course, were approved by the full committee.

Mr. President, the purpose of S. 2127 is to amend the Federal Employees' Group Life Insurance Act of 1954 so as to modify both the rate and the extent of the reduction that now is made in the face value of a policy when the insured reaches the age of 65.

Present law provides for a monthly reduction of 2 percent commencing with the first month after age 65 until the policy has been reduced to 25 percent of its face value.

For example, an employee whose salary is between \$4,000 and \$5,000 would have a policy with a face value of \$5,000. However, upon attainment of age 65, his policy would be reduced by 2 percent a month until it was reduced to 25 percent of its value, or \$1,250.

S. 2127 proposes to cut the rate of reduction to 1 percent a month and, also, to cease reducing entirely when the value of the policy has been reduced to 50 percent.

I think no one questions the purpose of the bill or objects to it on the basis of merit. However, when the bill came up last year, there was some question concerning its cost.

The Civil Service Commission estimated that enactment of the bill would result in increasing disbursements from the insurance reserve fund by a small amount currently, with a gradual growth to some \$7 million by 1960 and \$32 million by 1975. As Senators will recall, when the report was received objection was raised. The bill was reconsidered by the committee. The amendment sets forth the increased amount which will be paid.

Since that time, the committee has given the question of cost rather extensive consideration. Also, the Civil Service Commission has studied the matter. The committee studies indicate that the cost of the measure will amount to about 10 cents per pay period per thousand dollars of insurance. The Commission

thinks the cost may run to about 12½ cents. As can be seen, the estimates are not far apart.

In order to meet the additional cost involved, the committee amendment to S. 2127 will raise the premiums by 10½ cents per thousand per pay period. Seven cents of this amount will be passed on to the employees and 3½ cents to the Government. That is in keeping with the present situation under which the employee pays ⅔ of the premium and the Government pays ⅓.

From a dollar standpoint, this means that in the future employees will pay an additional \$20 million and the Government an additional \$10 million annually for the increased protection which will be provided.

The amendment makes one additional small change in the insurance program. Existing law provides that an employee's insurance is continued upon retirement provided the employee has 15 years or more of service. This requirement is being reduced to 12 years in order to extend the benefit on a more realistic basis.

I ask that the Senate pass the bill, as now amended.

THE PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That (a) so much of section 3 (d) of the Federal Employees' Group Life Insurance Act of 1954, as amended, as precedes the proviso is amended to read as follows:

"(d) Each of such amounts of insurance shall be reduced by 1 percent thereof at the end of each full calendar month following the date the employee attains age 65, subject to minimum amounts prescribed by the Commission, but not less than 50 percent of the insurance in force immediately preceding the first reduction provided herein."

(b) The amendment made by this section shall take effect as of August 17, 1954, except that it shall not be applicable in any case in which the employee's death or retirement occurred prior to the date of enactment of this act.

Sec. 2. Section 5 (a) of such act is amended by striking out "25 cents" and inserting in lieu thereof "32 cents".

Sec. 3. (a) Section 6 of such act is amended by striking out "fifteen" wherever it appears in such section and inserting in lieu thereof "twelve".

(b) The amendment made by this section shall be effective only in the case of employees who retire on or after the date of enactment of this act.

THE NEED FOR LABOR LEGISLATION

Mr. MUNDT. Mr. President, I have noted with pleasure that the majority leader of the Senate has announced that it is intended to proceed with the consideration of labor legislation in the early days of the developing session of the Senate.

I believe that the hearings which are underway in the Select Committee on Improper Activities in the Labor or Management Field have made it abun-

dantly clear that this session of the Senate would be grossly negligent of its duty should it fail to consider labor legislation. The Senate will have spent approximately \$1 million in providing for this investigation. Eight Members of the Senate have been devoting approximately 30 hours a week to this problem for a great many weeks. We have submitted an interim report. We have heard a great many witnesses. We have received more than 100,000 communications asking that action be taken in various fields of labor activity. Eighty percent of the communications have come from rank-and-file members of labor unions themselves.

We have disclosed various types of improper activities in the area of certain unions, involving the breakdown of democratic processes in unions; involving personal intimidation and destruction of property; involving gross corruption, misuse of funds, and actual thievery of money collected by compulsion from union members as a part of the assessment they must pay to hold jobs in order to enable them to earn a living for their families in this great free Republic of ours.

Those and certain other vices have been disclosed, which are crying for correction. Consequently I was pleased to learn that the Committee on Labor and Public Welfare is to place before us Senate bill 2888, and that the majority leader is scheduling it for action.

It seems to me that it would be a great waste of public funds to conduct such an investigation over the long processes of 2 years and have nothing result except some newspaper headlines. The purpose of our committee is to discover what type of corrective legislation is needed, and to pass along recommendations to the respective legislative committees of the Senate and House. That we have done. I am pleased that we are to have an opportunity, as Members of the United States Senate, to devote our time, our talents, and our efforts to trying to write appropriate legislation in the fields in which it is so abundantly clear that the rank-and-file union members require such legislation in order to protect their dignity, their democratic functions, their vested interests, and their rights as free men and women of America.

In that connection, I now send to the desk a series of amendments which I expect to offer to Senate bill 2888, and ask that they be printed for the information of the Senate and lie on the table until that happy day when the United States Senate is given an opportunity to stand up and be counted, as to whether we are to bow to the demands of certain arrogant labor leaders, or whether, as responsible representatives in Congress, we are to pass the type of legislation required to maintain the freedom of the free labor union movement in America.

THE PRESIDING OFFICER. The amendments will be received and printed, and will lie on the table.

Mr. JOHNSTON of South Carolina. Mr. President, I suggest the absence of a quorum.

THE PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

PENALTIES FOR INTERFERENCE WITH UTILITY LINES, PANAMA CANAL ZONE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1351, H. R. 3604.

THE PRESIDING OFFICER. The bill will be stated by title.

THE LEGISLATIVE CLERK. A bill (H. R. 3604) to amend section 831 of title 5 of the Canal Zone Code to make it a felony to injure or destroy works, property, or material of communication, power, lighting, control, or signal lines, stations, or systems, and for other purposes.

THE PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

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

THE PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

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

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

FREE IMPORTATION OF ARTICLES FOR EXHIBITION PURPOSES

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the pending business be temporarily laid aside and that the Senate proceed to the consideration of Calendar No. 1462, H. R. 11019.

THE PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

THE LEGISLATIVE CLERK. A bill (H. R. 11019) to permit articles imported from foreign countries for the purpose of exhibition at the Kentucky State Fair to be held at Louisville, Ky., to be admitted without payment of tariff, and for other purposes.

THE PRESIDING OFFICER. Is there objection to the unanimous consent request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill.

Mr. HUMPHREY. Mr. President, I have offered an amendment designated "4-21-58-0" which I ask to have read. I believe the amendment has been cleared favorably by both the majority and the minority leaderships.

THE PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

THE LEGISLATIVE CLERK. At the end of the bill it is proposed to insert the following new section:

SEC. 7. Any article which is imported from a foreign country for the purpose of exhibition at the International Trade Exhibition to be held at St. Paul, Minn., from May 7, 1958, to May 18, 1958, inclusive, by

the Minnesota Centennial Festival of Nations, or for use in constructing, installing, or maintaining foreign exhibits at the International Trade Exhibition, upon which article there is a tariff or customs duty, shall be admitted without payment of such tariff or customs duty or any fees or charges under such regulations as the Secretary of the Treasury shall prescribe. Each provision of sections 1 to 6, inclusive, of this act shall apply with respect to the International Trade Exhibition and all rights and privileges extended by such sections and all duties and obligations imposed thereby and each and every requirement thereof shall extend to the Minnesota Centennial Festival of Nations, which shall be deemed, for customs purposes only, to be the sole consignee of all merchandise imported under the authority of this section.

Amend the title so as to read: "An act to permit articles imported from foreign countries for the purpose of exhibition at the Kentucky State Fair, to be held at Louisville, Ky., and the International Trade Exhibition, to be held at St. Paul, Minn., to be admitted without payment of tariff, and for other purposes."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. HUMPHREY. Mr. President, the amendment was offered on behalf of my colleague, the senior Senator from Minnesota [Mr. THYE] and myself, and will be of great help to the Minnesota Centennial.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendment and the third reading of the bill.

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

The bill was read the third time and passed.

The title was amended so as to read: "An act to permit articles imported from foreign countries for the purpose of exhibition at the Kentucky State Fair, to be held at Louisville, Ky., and the International Trade Exhibition, to be held at St. Paul, Minn., to be admitted without payment of tariff, and for other purposes."

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Montana will state it.

Mr. MANSFIELD. What is the pending business?

The PRESIDING OFFICER. The pending business is Calendar No. 1351, H. R. 3604.

Mr. MANSFIELD. I thank the Chair.

NATIONAL ECONOMIC PROBLEMS

Mr. HUMPHREY. Mr. President, earlier this afternoon I placed in the RECORD statistical material relating to the Nation's economy, which I believe should be of interest to Members of the Senate and to the general citizenry. I have been doing this regularly for one purpose, namely, to arouse the Govern-

ment to action on the economic problems confronting the Nation. It appears to me that unless Congress and the administration move very positively in trying to alleviate economic conditions, the recession which we are now experiencing may well be with us for many months and may take a heavy toll in waste of both manpower and resources.

The Wall Street Journal for April 15, 1958, published an article entitled "Soviet Economic Growth Rate Twice That of the United States, Presidential Aide Says." The article reports Dr. Gabriel Hauge, economic aide to the President, as saying that the average rate of growth in the Soviet economy since 1950 has been between 6 and 7 percent, roughly twice that of the United States.

On the very same page of the Wall Street Journal it is reported that industrial production in the United States is now 12 percent below that of last August.

Mr. President, I believe that the statement made by Mr. Gabriel Hauge is of such importance that very Member of Congress and all other officials of the Government should ponder its meaning.

The Soviet has made quite clear, through its current leadership, that the war it is waging against the United States and its allies is an economic war as well as a political and cultural attack. Yesterday, Nikita Khrushchev, speaking at the Polish Embassy, in Moscow, in the presence of the United States Ambassador, the Honorable Llewellyn Thompson, stated in rather folksy manner that the Soviet Union was out to win on the economic front, and thereby to win the struggle for world domination. Then Khrushchev turned to the United States Ambassador, shook his finger at him, and said that, once the Communists had won, they would reeducate the American capitalists. Khrushchev had previously referred to the experience in Communist China. In this instance, Nikita Khrushchev, the first Minister of the Soviet Union, stated that the Communist Chinese had, as he said, "reeducated" the Chinese capitalists.

Mr. President, we Americans know what happened in China. I suppose one might say that Nikita Khrushchev exaggerates and overemphasizes what he and his country intend to do. But I submit that, to date, the record of Soviet achievement in the field of military power and in the field of economic growth and expansion, particularly of capital goods, is not one to be lightly taken or cast aside.

The trouble with all these Soviet arguments is that they have a certain amount of merit, at least in terms of what the Soviets have been able to demonstrate in regard to the world power struggle.

If the administration is not moved by the suffering of countless Americans who are joining the ranks of the unemployed, one would think it would at least be concerned that the Soviet Union is, with frightening speed, catching up with the United States in economic strength.

While the Soviet economy expanded last year by an estimated 10 percent, our own economy, when measured in terms of gross national product, regis-

tered a gain of less than 1 percent, and our industrial production made no gain whatsoever.

Mr. President, I have just quoted from 1957 statistical tables. All the economic data available makes it quite certain that 1958 will show not only that we have come to a dead stop, but that we are now actually losing ground.

Mr. President, no one sign could be more disturbing to thoughtful people than the decline in the American economy at this particular juncture of world affairs. I would remind my colleagues that for years the Soviet Union and its leaders have been stating that the Communist victory would come when American and Western capitalism began to falter, when recession and depression gripped the so-called free economies. I also would remind my colleagues that we do not need to permit that to happen. We are the masters of our own destiny; we are capable of reversing these trends; we know how. If there is any one thing that is lacking today, it is the will to do so, rather than a lack of knowledge on the subject.

Today, our Nation is still the most powerful on the face of the earth. It is still the richest. We have the largest skilled labor force, the greatest number of talented professional and scientific people, and the greatest industrial plant the world has ever known. It is more efficient and more up to date than any other industrial facility in the world.

We have the greatest transportation system; we have one of the soundest financial systems. We have everything required for long-term world leadership, if only the throttle of our economy were set at full speed ahead, rather than at slow speed, or even at cruising speed.

What this country needs is an awareness of the signs of weakness here and there in the economy, and then some remedial action to strengthen the areas of weakness, plus effective, determined, consistent, vigorous leadership.

I would remind my fellow Americans that a comfortable, tired, overly cautious, timid America will not be long in possession of world leadership, when America is competing with a vigorous, ambitious, hungry, determined Soviet Union and its leaders.

Something else which disturbs me is that our country is not being true to its own heritage. Today there is in high places in our country—both in government and in industry—a kind of softness and a sort of complacency that do not smack of the old, pioneer spirit. Actually, the words we hear from the Soviet—words regarding the opening up of vast, new areas for cultivation, the expansion of new industries, and the development of river and power resources—make one wonder whether the Soviets have stolen some of our enthusiasm for getting jobs done.

Yesterday I had an experience which will live for a long time in my memory. The Ambassador of the United States to a far-off place told a consultative subcommittee of the Foreign Relations Committee that in working out an agreement with a particular country for a civil-aviation project, under which the United States would assist that country

to develop a reasonable, modern, aviation system, 18 months had passed, after the agreement was signed, before the International Cooperation Administration had finally determined to whom to let the contract—not the contract for construction of the buildings and the runways of an airport, but merely the contract for the design of the buildings—18 months of fiddling around with redtape. If there is anything that is un-American, Mr. President, if there is anything that is unrepresentative of the vitality of the American people and their desire to get things done, it is such monkeyshine business—18 months to find an architect.

Mr. President, in 18 months the airport and runways should have been built, and planes should have been flying at the airfield. That would be the American way. But, instead, our officials have been shuffling papers.

I know of no surer way to come in second in a 2-man race than for 1 of the participants to keep lacing his shoes at the starting line, until the race is two-thirds over. But that is about what has happened in far too many instances, insofar as some of our officials are concerned; and it is happening right now on the economic front.

In the executive branch of the Government, there is an attitude of "Wait; let's see; let's take another look." Or, as the distinguished majority leader has said, the executive branch of the Government wants to "peek around the corner, to see what it can see." Our majority leader is of the opinion, and so am I, that we should go around the corner and do what we should do, before it is too late. This is no time for economic peekaboo. This is the time for an economic offensive, and to get that offensive under way before it is too costly.

All the economic data available makes it quite certain, as I said earlier, that 1958 will show we have not only come to a dead stop in our economic growth, but we are actually losing ground.

Mr. President, as of mid-March unemployment stood at 5.2 million, the highest total since before World War II. And since mid-March initial unemployment insurance claims have been mounting. In the week ended April 5 initial claims totaled 502,000—a rise of 79,000 over the week before. And the number of workers on a part-time basis due to economic reasons rose in mid-March to 2,290,000 compared to 2,084,000 a month earlier. The rate of insured unemployment according to latest figures is at a record 8.0 percent and there is no indication it will lessen in the near future.

We are going to be called on, here in the Senate, as well as in the other body, to approve a foreign-aid program. Such a program, I trust, will be approved. There will be some who will want to sharply trim and reduce it. Many amendments will be offered. I hope some amendments will be adopted; for example, one that will separate the military from the economic, which separation is long overdue, as well as amendments which will permit our Government to enter into regional arrangements for regional economic development. This is needed.

I trust there will be amendments which will underscore the importance of economic assistance on a pure economic basis rather than as a part of a military program. Regardless of what may happen to this bill, I hope a bill of significant proportions will finally be adopted by the Congress.

There will also be a program before the Senate for the extension of reciprocal trade agreements. I hope it will be one for 5 years, which is the President's recommendation; but efforts will be made to weaken the reciprocal trade program. Efforts will be made to defeat it. Some powerful arguments will be offered against it, arguments to the effect that reciprocal trade adds to unemployment, arguments to the effect that reciprocal trade is injurious to some American industries. Evidence will be rallied to prove these points. Of course, there will be those of us who will point out, in contradiction to those arguments, that reciprocal trade also provides jobs; that America enjoys a balance of trade of \$7 billion under reciprocal trade. We will point out that under reciprocal trade many more jobs are created than are lost.

I shall offer an amendment to the reciprocal trade bill providing for what we call trade adjustment features, so that if an industry is injured because of a national reciprocal trade policy, so that if workers are displaced or communities suffer economic injury because of a national trade policy, the Federal Government will assist those communities, will help those workers in retraining and in unemployment compensation, and will aid the industries with generous loans and fast tax writeoffs for new industrial plants and capacity.

I believe if we are going to have a national trade policy based upon reciprocal relationships, we must also have national trade adjustment features in the bill to spread the burden for those who have been injured because of a national policy.

Be that as it may, Mr. President, what I really want to put to Congress is the proposition that if the economic recession continues unabated, if farm income continues to fall, if more than 5 million workers are without jobs, if another two and a half million have only part-time work, if steel production is running at 50 percent of capacity, if carloadings continue to be 20 percent lower than they were last year, if Federal revenues fall off because of the decline in business activity—if all those things happen and continue to happen in the months to come, and the Congress of the United States and the executive branch do not move dramatically and effectively to stop the unemployment to check the economic recession, and to turn it around and start our economy up the hill again, I predict the trade program and the foreign aid program will look like a country rooster that has been run over by a tractor—without feathers, and slightly flattened out.

The best and the sure way for the executive branch of the Government to gain acceptance of and approval of its trade and foreign aid programs is to

start to take an active interest in aiding the American economy and the American people. If those who are at 1600 Pennsylvania Avenue and in Cabinet posts, and if heads of departments of Government, and if those of us here in Congress do not take effective action quickly to provide job opportunities for those who want work, to stimulate the economy so our industrial plant will be working at full capacity, there is going to be plenty of difficulty in either House of the Congress in passing an effective and truly meaningful reciprocal trade or mutual security program.

I warn the administration as a friend of the program. I have not been a critic of the program. I have voted for mutual security right down the line, as a loyal follower of it. I have voted for reciprocal trade, and I shall continue to do so. But it takes a majority of the Members of the House and of the Senate to pass either of those measures. I do not want to see either of them passed as empty shells. I want both mutual security and foreign trade measures to have body as well as form.

I repeat my friendly admonition, and I hope helpful one, that the President of the United States and his administration had better be recommending to this Congress an effective program of action, putting their strength and influence behind such a program, or the reciprocal trade and the foreign aid bills will be in peril. If anyone does not believe that statement, let him visit around the corridors of the Congress. It is about time someone spoke out loud about it, because it is a poorly kept secret. Everyone seems to know what is going on except mother. In this instance everyone seems to know what is going on except the President and his intimate advisers, because if they believe the American people are going to be more generous to the people in what is called the northern tier countries of the Baghdad Pact, than they are to the people of the United States, then the President and his advisers are wrong. If money is to be loaned to people all over the world at 3 percent interest, while those at home in the United States are charged 3½ percent, then it does not make much sense to anybody, much less our constituents. I am rather surprised that the Congress of the United States would exact a higher rate of interest from a GI for a housing loan than it would from a foreign government 5,000 miles away. And that is exactly what we are doing. We passed legislation in the Congress which compels our own American farmers to pay higher rates of interest upon loans for farm improvement than foreign governments must pay upon loans for development in their nations.

I hope Senators will not misunderstand me. I am in favor of economic loans for other countries, and I am in favor of having them made at reasonable rates of interest. But I am also in favor of reasonable rates of interest and loans for our own people. I have never been able to yet see why, if the Federal Government can loan money to somebody in Italy, the Federal Government cannot loan money to somebody in Missouri or

in Minnesota. Rather than to be selective about a country, I have never been able to see why, if the Federal Government can loan money to help independent business in Western Europe, in Southeast Asia, in Africa, or in Latin America, the Federal Government cannot loan money directly to help independent business in our own country.

I am merely trying to say that if we want an effective foreign policy overseas we have to have two things. First of all, the foreign policy must be acceptable to the people for whose benefit it is directed; it must be acceptable to those in other places in far-off lands. And it must also be acceptable to our own people here at home.

Mr. President, as I have indicated, as of mid-March unemployment stood at 5.2 million, the highest total since before World War II. And since mid-March initial unemployment insurance claims have been mounting. In the week ended April 5 initial claims totaled 502,000—a rise of 79,000 over the week before. And the number of workers on a part-time basis due to economic reasons rose in mid-March to 2,290,000 compared to 2,084,000 a month earlier. The rate of insured unemployment according to latest figures is at a record 8.0 percent and there is no indication it will lessen in the near future.

The latest figures show that the gross national product fell in the last quarter of 1957 by a seasonally adjusted annual rate of \$7.4 billion and there is little doubt but that the figures for the first quarter of this year will show a similar drop.

Industrial production fell two points in March making a total drop since August of 12 percent.

Automobile production in the first 3 months was down 31 percent from a year before, and in March production was 38 percent below March of 1957. And automobile production this present quarter is to be cut even further.

Steel production is off by more than 40 percent from a year ago, operating at roughly 48 percent of capacity—47.5 percent—the lowest level since 1949.

Expenditures on plants and equipment in the first quarter of this year were almost \$3 billion (seasonally adjusted annual rate) below the same period of last year and estimates for the current quarter indicate a decline of \$4.5 billion (annual rate) from the same period in 1957; anticipated outlays for 1958 are 13 percent below 1957, which is a drop of more than \$4 billion.

The New York Times Weekly Index of Business Activity showed a drop to 180.0 for the week ended April 5 as compared to 184.6 in the preceding week and 205.6 a year before.

Freight loadings during the week ended April 12 were 23 percent below a year ago, the 34th straight week in which loadings trailed a year earlier.

Retail sales for week ended April 12 were 16 percent below a year ago, whereas sales should normally have declined only 6 percent due to a later Easter in 1957, according to the Federal Reserve Board.

Private housing starts so far this year show no improvement over last year,

which was the poorest since 1949. In fact, in February and March housing starts were the lowest for those months since 1949.

In March personal income dropped \$300 million—annual rate—which makes a total drop since August of almost \$6 billion—annual rate. Income in the form of wages and salaries fell in March by \$1.1 billion—annual rate—to make a total drop since August of more than \$8 billion—annual rate.

Manufacturers' new orders in February were \$1.1 billion less than in January and \$4.3 billion under a year ago. Unfilled orders of manufacturers declined \$1.3 billion in February and were down \$15.9 billion from a year before.

Business failures in the latest week totaled 352, compared to 231 a year ago.

This is already the longest recession in our country since the great depression of over 25 years ago.

And yet there is calm on the banks of the Potomac. I guess that is because the cherry blossoms came in late this year. We are running behind schedule all over. Washington is simply out of gear. I can tell Senators Washington is surely out of tune with the economic realities. This is a recession which we cannot any longer afford to tolerate. Politically and morally we should not tolerate it, and economically we simply cannot afford it.

I sometimes wonder where those voices are in Congress which always speak of worry about the waste of Government funds and the waste of our Government. What about the waste of our manpower, which is unused? Where are the voices to speak about that? What about the amount of waste of resources and manpower and plant capacity which this country has suffered since last October, which would have paid for 2 full years of foreign economic aid?

The amount of waste which this country of ours has suffered since last October would have built all the classrooms America will need from now until 1975, and every mother and father in the Gallery could have his or her sons and daughters in schools which were modern, which were up to date, and which were fireproof. The children would not have to be crowded into classrooms at 35 or 40 or 45 for every teacher, but instead we could have a school facilities program which would be the wonder of the world.

We could lay down hundreds and thousands of miles of concrete pavement, four lanes wide, for the waste we have already suffered—the loss due to unemployment, due to the failure to invest, due to lack of confidence, due to the "dilly-dallying" of this Government.

Make no mistake about it, the Government has the responsibility for economic growth. We cannot have a Government of the United States saying on the one hand that we need a foreign aid program in order to stimulate the economies of other countries, but at the same time we do not need an American aid program to stimulate our own economy. If we are willing to spend vast sums of money predicated on the proposition that foreign economic aid—grants and loans from the United States—will build the prosperity of other countries and will provide jobs for workers in other

countries, I ask any reasonable minded citizen if the same will not apply to America, if the Government will go to work at it?

I remind the Senate that in February the President said things would be better in March, yet they were not any better. Things were worse. I remind the Senate that in March the President said he thought we had reached the low point, yet in April it was even lower. And I remind the Senate that despite all the wishful thinking of the Secretary of Commerce in one of his recent political utterances—when he pointed the finger at the Democrats to say, "They are just talking about a recession, that is all; they are just talking about a recession," and that things were now going to be much better—things are not much better.

The Secretary is much like the fellow who upon seeing a fireman getting ready to put out a fire, and hearing somebody down the street say, "There is a fire. There is a fire" starts condemning the person who is saying that there is a fire, rather than helping to put out the fire.

We cannot wish away trouble. I can say, Mr. President, that the American economy is not one which is going to be talked into trouble, and we cannot talk it out of trouble. Action is required.

Our economy got into trouble because of premeditated plans. This administration decided to choke off some of the economic oxygen which was required for an expanding economy; namely, credit. The administration did so through the Treasury Department and through the friendly cooperation of the Federal Reserve System. The credit was choked off. Interest rates were raised. Consumers pay much more for the goods that they need. The cost of living is going up every month. Finally, there simply was not enough vitality left or enough of the economic oxygen called the availability of cash and credit to keep the body politic and the body economic of the American economic system in full vigor.

Fortunately there was a great deal of built-in strength, and this built-in strength has been standing us in good stead. But even the strongest person cannot forever withstand the process of attrition, when the supply of food and oxygen is reduced or cut off. So it is with the strongest economy. Once it starts to weaken, it requires more than normal amounts of energy-giving substance to put it back on its feet. It requires extra help. To use the analogy of the food about which I have been speaking, it requires some economic vitamins.

Also it requires the competent voice of the good family doctor to tell us that we will get well if we follow his prescription.

This is a recession which we can no longer tolerate. The damage to our economy, both on the domestic front and in international relations, if we permit this recession to live on and grow wider and deeper, cannot be overemphasized. The time has come when we must utilize all means at our disposal to bring the recession to a halt, and to get the economy back on the road to recovery, not yesterday, but today. The sorry state of

today's economy is no mere accident. As I have said, it is rather the end result of a drift in the economy which has been going on under this administration since it came into office in 1953.

This Senator stood on this floor in the month of March 1953—and anyone who is interested can check the RECORD—and warned that certain things were about to come to pass. I heard the Secretary of Agriculture say that farm prices could well come down; and within the same month the Secretary of the Treasury advocated an increase in interest rates. Within 30 days the Secretary of Agriculture, speaking in St. Paul, Minn., openly advocated that farm prices could well be brought down, and the Secretary of the Treasury, Mr. George Humphrey, in Washington, in the early part of the month of March 1953, advocated an increase in interest rates.

This United States Senator, along with others, said, "This is the beginning of a process in the American economy that will lead to trouble."

One does not have to be a graduate of any business college to know that when we see the cost of living going up, farm income coming down, personal indebtedness rising, bank profits skyrocketing, and the cost of money, in the form of interest, sharply increasing, we can safely predict that the Nation's economy will be in trouble, just as surely as a mother, when she sees certain physical developments in her child, can predict that the little one is about to have measles, chickenpox, flu, or some other common malady.

One does not have to be a learned economist to know that when we abuse and misuse the economic system, we are headed for trouble.

I repeat that the plan was clear and premeditated, that the Nation's economy was to be subjected to a rise in interest rates and the tightening of credit, together with a lowering of the prices of raw materials, while at the same time we witnessed a rise in the cost of living.

In order for this economy to remain strong and healthy, there must be a continued real growth, in order to make full use of our resources. This administration never has planned for economic growth.

During the period 1947-53 this growth rate averaged 4.7 percent a year. But during the 1953-57 period, the rate of growth averaged only 2.7 percent a year. And in 1957, as I have already noted, the growth rate was less than 1 percent. In the fourth quarter of 1957 the economy actually began to decline and this decline is still continuing as the figures I have given show.

This economic decline measured in terms of the lag between full production and actual production is reaching staggering proportions. Whereas the production gap in the years 1947 through 1952 averaged \$5 billion a year, it increased to a yearly average of \$15.7 billion in the years 1953 through 1956, and rose to over \$27 billion in 1957 with the production lag in the fourth quarter of last year estimated at an annual rate of more than \$32 billion.

One of the problems in our country today, with the rise in our population, is that there has been no real systematic planning for strengthening the base of the American economy. The result is that today cities have outgrown their water systems. Cities and suburban areas have outgrown their sewerage and sanitary systems. Today America's highway system is 25 years behind the times.

Today America's school system is 20 years behind the requirements of a modern educational plant. Why? Because this administration shuns the words "plan" and "planning," as though they were subversive.

I submit that it is as important to plan for the structural needs of a community and of community life as it is to plan a life-insurance program, or a family budget.

But we have been contenting ourselves with reading the headlines about prosperity—prosperity for whom? We read that some of the large companies made more money than they had ever made before. But we did not notice, in the fine print, that the farmers were going into debt more than ever before.

We were reading that the large insurance companies had increased their assets by billions of dollars, but we did not read, or apparently did not pay attention to the fact, that for years the small business has been suffering and has been feeling the effects of favoritism toward big business and monopoly.

We have had a kind of economic brainwashing. Many people began to think that they were a fundamental and integral part of the great boom, only to wake up and learn that they had no jobs, only to find out that their unemployment compensation was exhausted, only to find out, in many communities of America, that the cities were bonded up to the legal limits.

Many of us are now beginning to wake up to the fact that when we were being told how prosperous we were, our economy was actually stagnant, in terms of economic growth, while the Soviet Union was gaining 7, 8, or 10 percent a year.

According to the propagandists, 1957 was one of the most prosperous years America has ever enjoyed. This Senator says that 1957 was a bad year, in this sense: In 1957 our economy grew at a rate of less than 1 percent, while population went up slightly more than 3½ million; when we should have been surging, when we should have been building 1,400,000 or 1,500,000 homes, we built 1 million. When we should have been building at least 90,000 classrooms, we built 50,000. When we should have been building twice as many hospital-bed facilities, we barely kept pace with the inadequacy of yesterday.

Then we were told in the headlines that General Motors made \$900 million. So what? They cannot sell their cars now. We were told that General Electric made many millions of dollars. So what? It dropped 23 percent in profits in this quarter.

Oh, the mighty can fall too. I predict, Mr. President, that if big business continues to lose money, or if its profits are reduced, as the present indications seem to show, that the administration

will get busy. It is possible to have 6 million or 7 million people unemployed. They are just the ordinary people. Such a condition is called a necessary adjustment. However, if there is a little bit more of the Chrysler Corp., for example, losing money, or if General Electric should continue to have its profits drop 23 percent, or General Motors continues to have its inventories backed up with automobiles that cannot be sold, then the word will finally seep up that it is time for the Government to take some action.

That is what some people mean when they talk about a tax bill. I predict that if big business decides that it cannot get itself out of the present jam, it will come to Washington and advocate a tax reduction along the lines it wishes. I further predict that the administration will then present such proposals to Congress. I also predict that some of the sharpest critics of those of us who have wanted the administration to act, will be in Washington, with clarion voices and banners unfurled and trumpets blowing, asking for Congress to take action to relieve their troubles and to relieve the grave economic conditions.

The way to help business is to help little people, who cannot help themselves. The way to help the American economy is not to think in terms of the problems of the economy, but to think in terms of the people, who comprise it.

The administration is so accustomed to thinking in terms of problems and statistics, it forgets the human element, the people.

I hope that we on this side of the aisle will never forget that our responsibility is to the people; that economic systems are made to serve the people, and that the people are not made to serve the system. Perhaps we need to be reminded of that fact. In the Soviet Union the people are required to serve the state. The state is dominant. The state dominates the people. The people are the slaves of the state, and are required to serve the political system. Let it never be said that in America we get so involved with the system that we forget the people.

The best way to prove that we mean business is by helping the people. By helping the people, we help the economic system.

If our country is to prosper and be strong it is necessary that we fully utilize our increasing productive capacity and our growing work force. But this administration has failed to grasp this fundamental fact that for our economy to prosper we must have continued growth.

Under this administration we have seen policies intended to hold down the economy and to deter needed growth. Examples are the administration's deflationary farm policy; its tax program to aid the wealthy under the trickle-down theory; its cutting back on sorely needed public investments, and its tight money policy.

To put it quite bluntly, the administration has confused the interests of big business with the interest and welfare of the Nation. Although present administration leaders are less candid than

former Secretary of Defense, Charles Wilson, I am convinced that they really believe that what is good for General Motors is good for the country.

And this philosophy explains the basic cause of our present economic dilemma and the decline in the rate of growth that has taken place since 1953.

The Nation's economy cannot remain healthy when an administration bases its policies and actions upon what is going to benefit only a special segment of the people—in this case big business and the large financial institutions.

The administration has devoted its time and its energies to giving greater assistance, benefits, and special treatment to those who actually do not need it while the real needs of the people have been brushed aside.

And what are these real needs of which I speak? They are in the fields of education, health, housing, urban redevelopment, natural resources.

And in all of these fields the administration has dragged its feet and given reasons why we cannot have adequate programs.

Federal outlays for all domestic programs which amounted to 7.01 percent of our total national economic activity in the period 1947 through 1952 have declined to 6.05 percent in fiscal 1958, and in the 1959 budget such outlays were cut back even below 1958's budget.

Mr. President, can there be denial of the need for more adequate school facilities and for higher-paid teaching staffs?

Can anyone say that we have adequate health facilities in the form of hospitals, clinics, and medical-research centers?

Can anyone argue that we are meeting the housing needs of the country, and that our slum clearance and urban-renewal programs are adequate in scope?

Does anyone maintain that we have developed our natural resources to as great a degree as possible and feasible?

Does anyone believe that the vast recreation areas which belong to all the people have been developed so that they may be fully utilized?

The fact of the matter is that we have fallen far short of the mark in these fields.

Our country did not become the greatest industrial nation in the history of the world by timid and cautious men who were afraid to dream and afraid of what the future held.

America became a great country because we had people who said, "We can do this," not people who said, "Wait. Let us take another look. Let us hold back."

It is time that we move promptly and boldly, to stop this recession and restore the growth of the economy.

I frankly am tired of hearing the administration's objections to every positive proposal to restore the economy.

We recently passed a bill to give the housing industry a sorely needed shot in the arm, but the President signed it only reluctantly and expressed his disappointment that we did not increase the GI interest rates even more. At the very time that interest rates are dropping.

Good grief. The President expressed his disappointment that we did not increase the interest rates even more.

We passed a bill to halt the decline in farm price supports, and the President vetoed that.

We passed a rivers and harbors bill and the President vetoed that also.

It is quite apparent that we cannot look to the administration for guidance or even for support. The job of restoring the economy falls upon our shoulders.

The immediate task before us is to halt this recession. In my opinion, three steps must be taken and taken promptly:

No. 1: As I have noted above, unemployment is the highest since before World War II and it is still increasing. The number of insured unemployed now amounts to 8 percent—the highest percentage since 1939 when records were started. Already this year over 500,000 workers have exhausted their insurance benefits.

It is imperative that we extend the period of paying unemployment compensation benefits. We cannot sit by while hundreds of thousands of jobless see their inadequate benefits run out.

I am proud to be a cosponsor of the Kennedy-McCarthy bill (S. 3244) which would provide 39 weeks of benefits and increase payments to 50 percent of a worker's weekly wage with a maximum benefit of two-thirds of the average weekly wage in the State.

No. 2: In order to help restore purchasing power, an immediate tax cut is in order. Such a tax should be designed primarily for low- and middle-income families whose purchasing powers in large measure affects the course of the economy. In my opinion such a cut in income taxes should amount to at least \$5 billion.

I also favor an end to the 3 percent freight tax, and a reduction in excise taxes. To give hard-pressed small-business concerns a measure of tax relief, I urge passage of S. 3194 which I am cosponsoring with Senator SPARKMAN and others.

No. 3: The Federal Reserve Board should further ease the money supply and encourage lower interest rates. To date the Board has been far too cautious in reversing its tight-money policies. While I am pleased that the discount rate and reserve requirements are being reduced, this alone is not enough.

One of the ways to do it is for the Federal Government to borrow money at low interest rates, if the banking structure of this country does not cooperate in the private lending field, and make that money available for loans for purposes of business activity and individual need.

I am hopeful that the private banks will not make it necessary to do that. We have a great banking system in America. I am afraid, however, that at times it too may become the victim of the pattern of high interest and hard money and tight credit, which is a pattern that is not conducive to a vibrant, expanding, healthy, growing economy.

That is the kind of pattern we get in tired, wornout, old countries, not in a young and vigorous one.

To increase the money supply and to lower interest rates, thereby making it easier for business, home buyers, and others to obtain funds, the Open Market Committee of the Federal Reserve System should purchase in substantial amounts Government securities.

In addition to improved unemployment insurance programs, tax relief, and an easing of credit, public outlays should be expanded. This should be undertaken not only to give a boost to our sagging economy, as I have said earlier, but also with a view in mind of the long-term needs of the country.

Our needs are immense, and we must make full use of our productive capacity and labor force to provide adequate national security, educational facilities, housing, urban renewal, resource development, and farm restoration.

In terms of the immediate recession, with spending and income falling at a significant rate, it is absolutely necessary that this decline be offset, at least in part, by greater public outlays. In terms of the long-range future, it is imperative that we plan and build now to meet the increasing needs of a steadily mounting population.

We are in a most serious recession today because of an administration which has based its economic policies on a philosophy of scarcity rather than abundance. We face a deficit this year of more than a billion dollars, and many times that amount in fiscal 1959, oddly enough because of an administration which has thought in terms of balanced budgets rather than in terms of the needs of the people.

The administration has demonstrated that it does not understand the real cause of the recession and that it is unaware of the lag in our economic growth in the past several years.

I say this, Mr. President, because no word has come from the high places in Government to tell the American people that our economy has been slowing down, even during the years when business made fantastic profits. Whenever the Government wants to point out in its propaganda policy that things are well, it points to the profits of big industry and big finance. It points out, for example, that last year the gross national product was almost \$4 billion more than it was the year before. Why was that so? Not because of the increased amount of goods, services, and production which are necessary for a growing economy, but because of inflation.

I can recall, just a few months ago, people coming to me from my home State of Minnesota and telling me that they had to wait weeks to get steel, when the steel plants were operating at low capacity. That is the kind of built-in red-tape we find in industry.

Here we see the paradoxical situation of the economy in decline and prices on the rise. The very people who talk the loudest about a free market, the very ones who told the Minnesota farmers that they should be on the free market, have not reduced the price of their automobiles one nickel, even though their inventories are jammed full and they cannot find space to store the cars. The price of steel has not come down 5 cents;

yet the steel industry is operating at 48 percent of capacity.

Still those people want the producers of raw materials to produce on the free market, so that when they have a little surplus, they see the price go down to the bottom of the pit. Believe me, the manufacturers and processors in these, if not monopolies, at least oligopolies, which is simply a technical term for a kind of convenient paternity of would-be monopolies in the same arena—these oligopolies maintain their prices at the expense of the public. They maintain prices so high that some of them can make a profit even when they are producing at 50 percent of capacity. Yet we have the gall to tell Western Europeans to break up their cartels. I suggest we tell our own people to start producing at prices which people can afford to pay.

The administration's "wait and see" attitude can no longer be tolerated. Congress, as the representatives of the people, must make it clear that we are vitally concerned and that we expect from the administration more than veto messages and bland peptalks. Even the peptalks are getting stale. There has not been a new slogan for months. The administration has even run out of buncombe. The administration has been short on constructive ideas ever since the atoms-for-peace proposal. Now they have exhausted even the bag of phony tricks. Even the political and economic soothing sirup is in short supply. So I suggest that if they have run out of soothing sirup, buncombe, and slogans, they get down to a program. It may be painful; it will be an unusual experience; but even this administration is not too old to learn to try. I am confident that the American people will be tolerant if the administration is a bit clumsy.

Regrettably, in Congress, in order that any kind of proposal may be passed, it is necessary to have bipartisan support. I submit that the recession is not partisan. The strange thing about a recession is that when people go broke, they are never asked, "What party were you affiliated with before you went broke?" I doubt that very many persons who have been laid off, in any factory or other place of employment that I know of, have been asked, "Are you a card-carrying Democrat or a card-carrying Republican?"

Another thing: Whenever a mortgage is foreclosed, it does not make any difference what one's political affiliation is. What is asked is, "What is your collateral? What is your earning power?"

So I appeal to my colleagues to forget their partisanship and get down to the business of taking care of the economic growth and the recovery of the Nation.

The time has long since passed for mere words and reflections. We need to take action to restore our economic growth and vitality. While we cannot force the administration to end its doing-nothing policy, we can at least enact legislation such as I have outlined today, designed to halt the recession and to restore the rate of economic growth which is necessary. We can cajole and try to persuade the administration.

We can call upon the American people to lift their voices in behalf of sound, constructive, and comprehensive policies before it is too late; before proposals are advanced which go far beyond what you and I, Mr. President, term prudent judgment.

I do not want to have to live in a period of history when, as I read in the newspapers, the Soviet Union is beginning to outstrip us, and I know that that does not need to be. It seems to me as if some persons are almost determined to throw away the ball game; to give the opposition a half dozen touchdowns; simply because we are too lazy to get on the field, even though the game is under way. We cannot win the football game by sitting in the locker room, listening to the coach give peptalks, particularly when the coach is tired, particularly when he does not have anything new to say, and particularly if the team has lost some faith in him.

There is only one way to win the game, and that is to go out on the field and not to underestimate the opposition, to use every play we have ever been taught, and to think of a couple of new ones. At least, we must try.

I say to my colleagues that the great American constituency will walk out on the players unless the players demonstrate that they are capable of putting in a full day's work and can give a good accounting of themselves on the gridiron of American politics. There will be a day of reckoning. There will be a day of political judgment. That day is fast approaching. For some, it will come in the State primaries; for others it will occur in November.

In light of what has happened in recent years, I am somewhat comforted because the victory has gone elsewhere.

Mr. President, I offer the hand of cooperation to Members of the Senate in working out an effective program. I have offered my own proposals for legislation. It would be very consoling and helpful if, somewhere along the line, the President of the United States and the members of the Cabinet would simply say, "Let's go. We have looked and waited long enough."

We have stopped, looked, and listened. That is good caution. Sooner or later we must cross the tracks. I think the time to cross the tracks is long overdue.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. TALMADGE in the chair). Without objection, it is so ordered.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, April 22, 1958, he presented to the President of the United States the following enrolled bills:

S. 864. An act to provide for the transfer of certain lands in the State of Minnesota; S. 1118. An act to facilitate the administration and development of the Whitman

National Monument, in the State of Washington, by authorizing the acquisition of additional land for the monument, and for other purposes;

S. 2037. An act to amend the act of June 28, 1946, authorizing the performance of necessary protection work between the Yuman project and Boulder Dam by the Bureau of Reclamation; and

S. 3120. An act to amend the acreage allotment and marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended, to provide additional allotments for farms in the Tulalake area, Modoc and Siskiyou Counties, Calif., for the 1958 and 1959 crops of wheat, and for other purposes.

ADJOURNMENT

Mr. KNOWLAND. Mr. President, I move that the Senate stand in adjournment until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 14 minutes p. m.) the Senate adjourned until tomorrow, Wednesday, April 23, 1958, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate April 22, 1958:

IN THE MARINE CORPS

Maj. Albert F. Schoepper, United States Marine Corps, for permanent appointment to the grade of lieutenant colonel.

1st Lt. Dale L. Harpham, United States Marine Corps, for permanent appointment to the grade of captain.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 22, 1958:

UNITED NATIONS

Kingsley Davis, of New York, to be the representative of the United States of America on the Population Commission of the Economic and Social Council of the United Nations.

Dr. Althea K. Hottel, of Pennsylvania, to be the representative of the United States of America on the Social Commission of the Economic and Social Council of the United Nations.

DIPLOMATIC AND FOREIGN SERVICE

Walter Howe, of Connecticut, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Chile.

Whiting Willauer, of Massachusetts, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Costa Rica.

ROUTINE APPOINTMENTS

The following-named Foreign Service officers for promotion to the office indicated:

The following-named Foreign Service officers for promotion from class 1 to the class of career minister:

Jacob D. Beam, of New Jersey.
C. Burke Elbrick, of Kentucky.
Bernard Guffer, of Washington.
G. Lewis Jones, of the District of Columbia.
Robert Newbegin, of New Hampshire.
J. Graham Parsons, of New York.
William P. Snow, of Maine.
Tyler Thompson, of Maine.
William C. Trimble, of Maryland.
Henry S. Villard, of New York.
Charles W. Yost, of New York.

The following-named persons, now Foreign Service officers of class 1 and secretaries in the diplomatic service, to be also consuls general of the United States of America:

Garret G. Ackerson, Jr., of New Jersey.
Ware Adams, of Rhode Island.
W. Park Armstrong, Jr., of New Jersey.

Rollin S. Atwood, of Maryland.
Walworth Barbour, of Massachusetts.
Leland Barrows, of Kansas.
Frederic P. Bartlett, of New York.
Samuel D. Berger, of New York.
Niles W. Bond, of Massachusetts.
Elmer H. Bourgerie, of Maryland.
Daniel M. Braddock, of Michigan.
Aaron S. Brown, of New Hampshire.
Winthrop G. Brown, of the District of Columbia.

Charles R. Burrows, of Ohio.
Homer M. Byington, Jr., of Connecticut.
Henry A. Byroade, of Indiana.
William P. Cochran, Jr., of Pennsylvania.
Howard Rex Cottam, of Utah.
John K. Emmerson, of Colorado.
Carlos C. Hall, of Arizona.
William O. Hall, of Oregon.
Outerbridge Horsey, of the District of Columbia.

Frederick Jandrey, of Wisconsin.
Howard P. Jones, of Maryland.
Foy D. Kohler, of Ohio.
William S. B. Lacy, of Virginia.
Robert McClintock, of California.
Thomas C. Mann, of Texas.
Edwin M. Martin, of Maryland.
Graham A. Martin, of Florida.
George A. Morgan, of the District of Columbia.

Brewster H. Morris, of Pennsylvania.
Frederick E. Nolting, Jr., of Virginia.
Joseph B. Phillips, of Virginia.
Harold M. Randall, of Iowa.
Hayden Raynor, of the District of Columbia.

William M. Rountree, of Maryland.
William Sanders, of Virginia.
Durward V. Sandifer, of Illinois.
Livingston Satterthwaite, of the District of Columbia.

Walter K. Scott, of Maryland.
Philip D. Sprouse, of Tennessee.
Henry J. Tasca, of Pennsylvania.
Robert P. Terrill, of California.
Ben H. Thibodeaux, of Louisiana.
Ray L. Thurston, of Missouri.
Benson E. L. Timmons III, of the District of Columbia.

William R. Tyler, of the District of Columbia.
David W. Wainhouse, of Massachusetts.
Woodruff Wallner, of New Hampshire.
Joe D. Walstrom, of Missouri.
Woodbury Willoughby, of Florida.
George H. Winters, of Texas.
Glenn G. Wolfe, of West Virginia.

Robert E. Wilson, of Arizona, now a Foreign Service officer of class 2 and a secretary in the diplomatic service, to be also a consul general of the United States of America.

The following-named persons, now Foreign Service officers of class 3 and secretaries in the diplomatic service, to be also consuls general of the United States of America:

Harrison Lewis, of California.
William D. Moreland, Jr., of Oregon.

The following-named Foreign Service officers for promotion from class 4 to class 3:

Joseph B. Alexander, of Virginia.
James J. Blake, of New York.
William D. Brewer, of Connecticut.
Anthony Cuomo, of California.
Hermann F. Ellts, of Pennsylvania.
Harold M. Granata, of New York.
Philip C. Habib, of California.

The following-named persons for appointment as Foreign Service officers of class 4, consuls, and secretaries in the diplomatic service of the United States of America:

Sherman F. Euler, of Indiana.
David D. Hoyt, of Florida.
Stephen Peters, of Virginia.

John C. Amott, of New Jersey, for promotion from Foreign Service officer of class 5 to class 4.

The following-named Foreign Service officers for promotion from class 6 to class 5 and

to be also consuls of the United States of America:

C. Arthur Borg, of New York.
J. Stewart Cottman, Jr., of Maryland.
Allen P. McNeill, Jr., of California.

The following-named persons for appointment as Foreign Service officers of class 5, consuls, and secretaries in the diplomatic service of the United States of America:

Zachary P. Geaneas, of New York.
Henry Hunt McKee, of the District of Columbia.

The following-named Foreign Service officers for promotion from class 7 to class 6:

Paul L. Aylward, Jr., of Kansas.
Brady G. Barr, of the District of Columbia.
Eugene H. Bird, of Oregon.
Paul F. Canney, of Massachusetts.
Robert G. Cox, of New Mexico.
Edwin G. Crosswell, of Ohio.
Harold T. Ellis, of California.
Gordon A. Klett, of California.
John D. Tinny, of Florida.

Robert E. White, of Massachusetts.
Joseph Basile, of New Jersey, for appointment as a Foreign Service officer of class 6, a vice consul of career, and a secretary in the diplomatic service of the United States of America.

The following-named Foreign Service officers for promotion from class 8 to class 7:

John P. Blane, of Alabama.
Michael Calingaert, of the District of Columbia.
Jack M. Carle, of Colorado.
Theodore B. Dobbs, of Virginia.
George B. Lambrakis, of New York.
Gerald Floyd Linderman, of Ohio.
Miss Elaine Diana Smith, of Illinois.
Thurston F. Teele, of Massachusetts.

The following-named Foreign Service staff officers to be consuls of the United States of America:

Stephen M. Carney, of the District of Columbia.
Robert A. Lincoln, of California.
Miss Josephine Pasquini, of Michigan.
Howard R. Simpson, of California.

The following-named Foreign Service Reserve officers to be consuls of the United States of America:

Robert G. Caldwell, Jr., of Virginia.
Robert H. Cunningham, of Ohio.
Renze L. Hoeksema, of Michigan.
Orval B. Hopkins, of Maryland.
Griffith Jones, of Connecticut.
Deric O'Bryan, of New Mexico.

The following-named Foreign Service Reserve officers to be vice consuls of the United States of America:

Richard W. Hale, of Florida.
Anthony L. Sileo, of Connecticut.
Paul E. A. Van Marx, of Connecticut.
John R. Vought, of New York.

The following-named Foreign Service Reserve officers to be secretaries in the diplomatic service of the United States of America:

Richard A. Cleveland, of Pennsylvania.
Darwin J. Flakoll, of Virginia.
Roger Goiran, of Maryland.
Edward L. McAllister, of Virginia.
Richard L. Ruffner, Jr., of Virginia.
Barney B. Taylor, of Michigan.
Robert Taylor, of Florida.
John A. Unumb, of Minnesota.
Raymond Villemarette, of Louisiana.
Dan S. Wages, of California.

UNITED STATES COAST GUARD

APPOINTMENTS IN THE UNITED STATES COAST GUARD

To be Commandant of the United States Coast Guard, with the rank of vice admiral, term of 4 years, effective June 1, 1958

Vice Adm. Alfred C. Richmond

To be Assistant Commandant of the United States Coast Guard, with the rank of rear admiral, term of 4 years, effective June 1, 1958

Rear Adm. James A. Hirshfield

The following-named persons to the rank indicated in the United States Coast Guard:

To be chief warrant officers

Richard F. Eiden, chief warrant officer, W-4.
John S. Cameron, Jr., chief warrant officer, W-3.

William A. Mauch, chief warrant officer, W-3.

Keith H. Jorgenson, chief warrant officer, W-2.

To be commander

Russell A. Screnberg

To be lieutenant commander

Bertrand S. Dean

To be lieutenants (junior grade)

| | |
|--------------------------|----------------------------|
| David B. Flanagan | Jimmie D. Woods |
| Henry Haugen | John W. Sheedy |
| Gary B. Erekson | Charles Leddy |
| Joel R. Swanson | Edward W. Murphy |
| Ralph F. Slater | Thomas C. Lutton |
| David L. Green | John J. Dirschel, Jr. |
| Martin J. Kaiser | Joseph N. Andrassy |
| Allan Landry | George E. Walton |
| Francis D. Forbes | Norman R. West |
| Thomas S. Latham | William J. Bickford |
| Theodore G. Brown, Jr. | Henry Suski |
| Charles B. Glass | Richard L. Brown |
| Donald D. Anderson | Robert L. Welsh, Jr. |
| Edward H. Carus, Jr. | Frederick F. Herzberg, Jr. |
| James J. Dunlop | Herbert H. H. Kothe |
| William N. Spence | Stephen J. Dasovich |
| Ira L. Krams | Donald L. Gordon |
| Kenneth W. Forslund | Daniel B. Charter, Jr. |
| Joseph F. Fallon | Robert L. Johanson |
| Irvin W. Lindemuth | Alan D. Breed |
| James E. Ferguson | Daniel C. Olson, Jr. |
| Joseph L. Coburn, Jr. | Charles W. Fead |
| Richard Nielsen, Jr. | Kenneth R. Depperman |
| Arthur F. Champagne, Jr. | Ira F. Thompson |
| Richard Rounseville | Carlos A. Garcia |
| Leon T. Dankiewicz | Ralph W. Eustis |
| Robert L. Cook | Thomas J. McKay III |
| Carmen J. Blondin | Edward F. Lewis |
| Bobby F. Hillingsworth | Edmund J. Spillane, Jr. |
| Lee Jordan | John B. Jones-Bateman, Jr. |
| Charles A. Blondo | Donald C. Cunningham |
| Howard M. Vellette | Robert H. Overton III |
| Arthur F. Gerken | Kenneth D. Albritton |
| Richard N. Abrahams | John M. Duke, Jr. |
| Charles F. McFadden | |
| Howard B. Thorsen | |
| Robert E. Larson | |

Ensigns

Ernest Boyd Acklin, Jr.
Louis Joseph Albert
John Cooper Armacost
Robert Frank Bennett
George Thomas Bergman
Cecil Sherman Berry
Ronald Glenn Bitner
Ransom Keith Boyce
Frederick Francis Burgess, Jr.
Ralph Hubbard Burr III
Charles Edward Clarke, Jr.
John Michael Commerton
George William Conrad
James Herbert Costich
Peter Jon Cronk
Thomas Rossie Cummings
Douglas Gilfillan Currier
Alan George Dahms
Carl Paul Denney, Jr.
Philip John Dolan, Jr.
Wayne George Douglass
Robert Francis Dugan
John Edward Footit
Robert Wayne Gauthier
Marshall Edward Gilbert
Edward Vincent Grace
Terry Robert Grant

Carl Aubrey Gruel
 Frank Reichard Grundman
 Charles Jayhues Helpingstine
 Rex Earl Henderson
 Christopher Michael Holland
 John Curtis Ikens
 Ira Bernard Jacobson
 Robert Bruce Jamieson
 Emlyn Lewis Jones, Jr.
 Wallace Francis Kelley
 Neil Forrest Kendall
 Thomas Robert Klein
 Alexander Robb Larzelere
 Everett John Lecourt, Jr.
 James Danehy Martin
 Richard Gordon Matheson
 George Peter Mitchell
 Gerald Karl Mohlenbrok
 Thomas Stephen Monnone
 David Alan Naus
 Robert Theodore Nelson
 Michael Joseph O'Brien
 Robert Smith Palmer, Jr.
 Alfred Franklin Parker
 William Alden Parker
 Walter Edward Peterson, Jr.
 Bert Thomas Potter
 Henry Calhoun Rayburn
 Ronald Duncan Rosie
 Kenneth Melvin Roughgarden
 Thomas Richard Schiller
 Robert Martin Schissler
 Francis Ferreira Silvia
 Melvin LeRoy Sites
 Stevens Humphreys Smith
 Howard Edson Snow
 John Charles Spence
 James Owen Sullivan
 Richard Alan Sutherland
 Larry Edwin Telfer
 Robert Stephen Tuneski
 Jon Clifford Uithol
 Roger Oscar Walther
 Robert Edwin Warakomsky
 James Watt
 Robert John Watterson
 John Robert Wells, Jr.
 David Albert White
 Robert Caldwell Williams
 Stuart Alan Yoffe

UNITED STATES DISTRICT JUDGES

Edwin D. Steel, Jr., of Delaware, to be United States district judge for the district of Delaware.

Mendon Morrill, of New Jersey, to be United States district judge for the district of New Jersey.

UNITED STATES ATTORNEYS

William T. Plummer, of Alaska, to be United States attorney for the division No. 3, district of Alaska, term of 4 years.

Jack D. Hays, of Arizona, to be United States attorney for the district of Arizona, term of 4 years.

Harlington Wood, Jr., of Illinois, to be United States attorney for the southern district of Illinois, term of 4 years.

J. Leonard Walker, of Kentucky, to be United States attorney for the western district of Kentucky, term of 4 years.

Thomas Ramage Ethridge, of Mississippi, to be United States attorney for the northern district of Mississippi, term of 4 years.

Robert E. Hauberg, of Mississippi, to be United States attorney for the southern district of Mississippi, term of 4 years.

Maurice Paul Bois, of New Hampshire, to be United States attorney for the district of New Hampshire, term of 4 years.

Theodore F. Bowes, of New York, to be United States attorney for the northern district of New York, term of 4 years.

James E. Holshouser, of North Carolina, to be United States attorney for the middle district of North Carolina, term of 4 years.

Summer Canary, of Ohio, to be United States attorney for the northern district of Ohio, term of 4 years.

Clarence Edwin Luckey, of Oregon, to be United States attorney for the district of Oregon, term of 4 years.

Daniel H. Jenkins, of Pennsylvania, to be United States attorney for the middle district of Pennsylvania, term of 4 years.

Louis Gorman Whitcomb, of Vermont, to be United States attorney for the district of Vermont, term of 4 years.

Duncan Wilmer Daugherty, of West Virginia, to be United States attorney for the southern district of West Virginia, term of 4 years.

George Edward Rapp, of Wisconsin, to be United States attorney for the western district of Wisconsin, term of 4 years.

UNITED STATES MARSHALS

Claire A. Wilder, of Alaska, to be United States marshal for division No. 1, district of Alaska, term of 4 years.

Fred S. Williamson, of Alaska, to be United States marshal for division No. 3, district of Alaska, term of 4 years.

Albert Fuller Dorsh, Jr., of Alaska, to be United States marshal for division No. 4, district of Alaska, term of 4 years.

Eugene Levi Kemper, of Kansas, to be United States marshal for the district of Kansas, term of 4 years.

Rupert Hugo Newcomb, of Mississippi, to be United States marshal for the southern district of Mississippi, term of 4 years.

Louis O. Aleksich, of Montana, to be United States marshal for the district of Montana, term of 4 years.

William Raab, of Nebraska, to be United States marshal for the district of Nebraska, term of 4 years.

Cedric E. Stewart, of Nevada, to be United States marshal for the district of Nevada, term of 4 years.

Joseph Stockinger, of New York, to be United States marshal for the eastern district of New York, term of 4 years.

J. Bradbury German, Jr., of New York, to be United States marshal for the northern district of New York, term of 4 years.

George M. Glasser, of New York, to be United States marshal for the western district of New York, term of 4 years.

B. Ray Cohoon, of North Carolina, to be United States marshal for the eastern district of North Carolina, term of 4 years.

Dewey Howard Perry, of Vermont, to be United States marshal for the district of Vermont, term of 4 years.

Ray H. Schoonover, of Wisconsin, to be United States marshal for the western district of Wisconsin, term of 4 years.

HOUSE OF REPRESENTATIVES

TUESDAY, APRIL 22, 1958

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Daniel 6:10: *Daniel kneeled upon his knees three times a day and prayed, the windows in his chamber being open toward Jerusalem.*

Almighty God, may we enter upon this new day, refreshed in body and spirit, and ready to accept the challenge of the most arduous task and the heaviest responsibility.

Inspire us daily to open the windows of our souls toward Thee and may our whole life be filled with the splendor of Thy presence and peace and a sense of Thy divine grace and glory.

Grant that we may cultivate a larger capacity for all that is noblest and best and may we never be tempted to lower the lofty standards of life which Thou hast ordained, for we know that nothing

less than the highest will every satisfy our souls.

Hear us for the sake of our blessed Lord. 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 has passed without amendment a joint resolution of the House of the following title:

H. J. Res. 588. Joint resolution, making advance procurement appropriations for the fiscal year 1958, and for other purposes.

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

H. R. 11767. An act making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1959, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, and requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. RUSSELL, Mr. HAYDEN, Mr. HILL, Mr. ROBERTSON, Mr. ELLENDER, Mr. YOUNG, Mr. MUNDT, and Mr. DWORSHAK to be the conferees on the part of the Senate.

TEMPORARY UNEMPLOYMENT BENEFITS

Mr. MILLS. Mr. Speaker, I ask unanimous consent that the Committee on Ways and Means may have until midnight tomorrow, Wednesday, April 23, to file the report, including any minority views, on the bill H. R. 12065, to authorize temporary unemployment benefits for individuals who exhaust their Federal rights under existing compensation laws, and for individuals who were employed in noncovered employment.

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

There was no objection.

PERMISSION TO SELECT COMMITTEE ON ASTRONAUTICS TO SIT DURING SESSION OF HOUSE

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Select Committee on Astronautics and Space Exploration may be permitted to sit during general debate in the House for the remainder of the week.

Mr. MARTIN. Mr. Speaker, reserving the right to object, will the gentleman tell us what is the subject this afternoon?

Mr. McCORMACK. Of the select committee?

Mr. MARTIN. Yes.

Mr. McCORMACK. We are still in outer space.

Mr. MARTIN. I realize the subtleties of the gentleman's statement, but I am