

H.R. 3133. A bill for the relief of Mrs. Maria A. Schmoltdt; to the Committee on the Judiciary.

H.R. 3134. A bill for the relief of Alvin Bardin; to the Committee on the Judiciary.

H.R. 3135. A bill for the relief of Kurt Sorge; to the Committee on the Judiciary.

By Mr. RHODES of Arizona:

H.R. 3136. A bill for the relief of Louis M. Linxwiler; to the Committee on the Judiciary.

By Mr. RIVERS of South Carolina:

H.R. 3137. A bill for the relief of Lt. Gen. Verne J. McCaul; to the Committee on Armed Services.

By Mr. STAGGERS:

H.R. 3138. A bill providing for the Administrator of General Services to convey certain real property to the Morgantown Community Association; to the Committee on Government Operations.

By Mr. TABER:

H.R. 3139. A bill for the relief of Georg Puffal; to the Committee on the Judiciary.

H.R. 3140. A bill for the relief of Najla Malti, Hanna Malti, Fadwa Malti, Constantin Malti, and Marie Malti; to the Committee on the Judiciary.

H.R. 3141. A bill for the relief of Domenico Messina; to the Committee on the Judiciary.

H.R. 3142. A bill for the relief of Richard Pang; to the Committee on the Judiciary.

H.R. 3143. A bill for the relief of Constanzo Manes; to the Committee on the Judiciary.

H.R. 3144. A bill for the relief of Mui Kim Chen Liang; to the Committee on the Judiciary.

H.R. 3145. A bill for the relief of Carlo Giordano; to the Committee on the Judiciary.

By Mr. WIDNALL:

H.R. 3146. A bill for the relief of Jozef Gromada; to the Committee on the Judiciary.

By Mr. YOUNGER:

H.R. 3147. A bill for the relief of Rudolf Holtzer; to the Committee on the Judiciary.

By Mr. ZELENKO:

H.R. 3148. A bill for the relief of Maddalena Haas; to the Committee on the Judiciary.

H.R. 3149. A bill for the relief of Basil Manioudakis; to the Committee on the Judiciary.

By Mr. RIVERS of South Carolina:

H.J. Res. 160. Joint resolution tendering the thanks of Congress to General of the Army Douglas MacArthur and to Fleet Adm. Chester W. Nimitz; and providing for the striking and presentation to General MacArthur and Fleet Admiral Nimitz of appropriate gold medals in the name of the people of the United States; to the Committee on Armed Services.

EXTENSIONS OF REMARKS

Failure of the Interstate Commerce Commission To Take Action Regarding Tragic Grade Crossing Accidents

EXTENSION OF REMARKS

OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 23, 1961

Mr. VAN ZANDT. Mr. Speaker, I want to call attention again to grade-crossing accidents that result from what has been termed an inexcusable disregard of duty by the Interstate Commerce Commission. I want to emphasize the tragic developments which may very well be the result of the failure of the Interstate Commerce Commission to act.

On the morning of January 17 one of the crack trains of the Illinois Central Railroad—the City of New Orleans—on its northbound journey to Chicago struck a tank truck carrying petroleum products. Some say it was hauling a highly dangerous commodity—butane. The accident occurred within the limits of Magnolia, Miss., and resulted in the death by fire of at least nine people, including the engine crew and the truck driver, as well as others not directly involved in the collision. This collision was another one to add to a longer list of occurrences which are identical except as to detail. The accident has been scheduled by Division 3 of the Interstate Commerce Commission for an investigation January 31, 1961, at Robert E. Lee Hotel, Jackson, Miss.

Mr. Speaker, this accident was bad enough. The relatives and friends of those who met this painful death will never forget the shock and horror of its occurrence. But the circumstance which is appalling to me and which begins to engender righteous anger is the utter failure over many months of the Interstate Commerce Commission to take one step—to do any one special thing to prevent such happenings. I am also beginning to wonder about the attitude of the petroleum industry and of those

trucking companies engaged in hauling petroleum products.

On September 1 of last year I extended my remarks regarding grade-crossing accidents which appeared in the CONGRESSIONAL RECORD the following day. I complained about the action of the ICC in rejecting for the third time the request of the railway brotherhoods for a general investigation by the ICC to determine what could and should be done to prevent these rail-highway grade-crossing collisions with trucks hauling gasoline and other dangerous commodities.

In my remarks I reviewed briefly the developments. I described the collision on March 1, 1960, near Bakersfield, Calif., when a train hit a truck with 7,000 gallons of petroleum, killing 14 people—11 of whom were passengers on the train. I mentioned the incident which occurred a few days later near Chanute, Kans., where a father and son, engineer and fireman, were killed when an M-K-T locomotive hit a tank truck. I spoke of the two separate collisions in June of 1960 near Jacksonville, Fla., when five more men were cremated in the same way. In August of last year near Birmingham, Ala., three of the train crew and the truckdriver followed the same route.

I pointed out that the five brotherhoods of railroadmen who are engaged in operating trains had filed with the Interstate Commerce Commission a petition pleading with that body to conduct a general investigation of such collisions to find out what the ICC could and should do to prevent them. I mentioned the fact that similar petitions previously filed by the same brotherhoods had been turned down by that Commission. Then I pointed out that the ICC on August 15 made a decision again turning down the petition. However, that decision was not announced until August 29, just a few days before Congress was to adjourn.

In the meantime the ICC had received objections to that petition from two presumably responsible bodies; namely, the Central Committee on Highway Transportation of the American Petroleum Institute and the National Tank

Truck Carriers, Inc. The gist of these objections was the claim that the investigation would do no good and that the gasoline truckers and shippers were taking care of the situation themselves. This latest occurrence with nine more dead people proves how invalid those arguments were. At the same time various railroads had filed pleadings in support of the effort of their employees and joining in the request for a critical inquiry.

It is amazing that the Interstate Commerce Commission denied the petition of the railroad brotherhoods. Only 6 of the 11 Commissioners voted to take that action and 1 of that 6, only a few days ago, was reappointed by President Eisenhower. One other Commissioner voted to grant the petition and four Commissioners did not vote.

The brotherhoods promptly filed a request for the ICC to reconsider its action. That was filed in September and the whole proceeding is still pending now 4 months later on that petition for reconsideration.

It should be remembered that Congress has delegated to the Interstate Commerce Commission—which is a so-called arm of Congress—responsibility for the safety of operation of motor vehicles in interstate commerce. Having acted on this subject we have probably deprived the States and local authorities of power to deal with such safety at least as far as interstate commerce is concerned. Whatever the truck was doing at Magnolia, Miss., January 17, it is certainly an indisputable fact that the train was engaged in interstate commerce.

Mr. Speaker, a court in Portland, Oreg., has since ruled that there is no regulation over the safety of operation of trucks, by State or national authorities unless the operation is carried on for-hire. This is because some lawyer has discovered a new loophole in the already inadequate regulations of the ICC. In my book, gasoline or butane is just as dangerous whether or not it is hauled free of charge or for hire. However, the ICC has failed to do one single thing to close that alleged loophole or even to see whether or not it actually exists.

Despite the fact that I have had letters from the ICC and from the Petroleum Institute and the tank truckers, tragic deaths at grade crossings continue to go on.

I ask you, as Members of Congress, how would you feel if you were the wife of a locomotive engineer or fireman? Do you believe those men have a chance when their engines hit a tank full of gasoline or butane? Agony, pain, and flaming death are the only results. And how frequently does this occur? For that matter, would you not feel exactly the same way if you were the wife or the father or mother of a man driving one of these trucks? Would you not wonder every time he left on a trip whether or not he would come back? What organization representing men—either trainmen or truckmen—is worth its salt unless it displays some concern for the safety of its members under circumstances such as these?

In my closing remarks last fall I expressed my intention to ask Congress to authorize a full-dress investigation of grade-crossing accidents and what the ICC is doing to prevent them. I have refrained from taking that action as yet in the hope that the ICC would grant the petition of the brotherhoods for reconsideration. It is my belief that an investigation by the Commission, if promptly begun and carried forward, offers an opportunity for a more constructive and fruitful proceeding than one carried on by Congress in the white heat of publicity where accusations and recriminations are necessarily present. Unless the ICC acts at once, however, I will be obliged to ask Congress to authorize a comprehensive and vigorous investigation.

Mr. Speaker, in conclusion, I wish to make part of my remarks the following articles appearing in the Washington (D.C.) Evening Star, January 17, 1961, and the New York Daily News, January 18, 1961, concerning the tragic accident at a grade crossing in Magnolia, Miss., on January 17, 1961:

[From the New York Daily News, Jan. 18, 1961]

EIGHTY-MILE-PER-HOUR TRAIN SMASHES GAS TRUCK, KILLS SIX

MAGNOLIA, Miss., January 17.—The streamliner City of New Orleans, speeding toward Chicago at nearly 80 miles per hour with its whistle blowing like hell, smashed into a gasoline truck today, killing six and injuring six.

The 9-car express rammed the truck at a crossing in downtown Magnolia, a community of 2,200 in south Mississippi, about 100 miles north of New Orleans. Stores and offices line the streets on both sides of the track.

The truck exploded, spewing flames as high as the trees and the length of the train. The big diesel—bound from New Orleans to Chicago—skidded 300 yards along the track that divides the town, then came to a halt.

ENGINEER, FIREMAN DEAD

Among the dead were the train's engineer and fireman, J. A. (Jimmy) Livingston, of McComb, Miss., and John Collins, of Jackson; and the truckdriver, Morris Piggot, operator of a small store near McComb.

The others killed were identified as Bobby Gwin, a freight yard employee, and Hancey Johns and Charles Hughes, grain unloaders. All three were from Magnolia.

R. L. Williams, a Magnolia painter, was in a Main Street store when he heard the streamliner approaching, its whistle blowing like hell. He said the truckdriver apparently didn't hear the train and started slowly across the tracks.

ONLY A WARNING SIGN

There is a red and white sign warning motorists to stop at the crossing, but there are no flashing lights or crossbars.

Flaming gasoline rained on the workers, boxcars, and a nearby warehouse. The freight cars and warehouse were badly burned.

Dr. Claude Pettey, a dentist whose office is near the depot, saw Percy Nelson, a train yard laborer, staggering down the tracks with his clothes on fire. Pettey pulled the burning clothing from Nelson, who kept asking about the other boys.

[From the Washington (D.C.) Star, Jan. 17, 1961]

NINE KILLED WHEN TRAIN HITS TRUCK

MAGNOLIA, Miss., January 17.—The passenger train City of New Orleans, speeding through Magnolia en route to Chicago at about 80 miles per hour, rammed into a gasoline truck at a whistlestop crossing today, killing nine persons and injuring six others.

The streamliner streaked 300 yards after smashing into the truck, with flames sweeping the length of its nine cars.

Illinois Central authorities said the train was not due to stop in Magnolia, about 100 miles north of New Orleans. The truckdriver, they said, apparently did not hear the train or realize it was approaching.

The dead were J. A. (Jimmy) Livingston, the engineer from McComb, Miss.; Fireman John Collins, Truckdriver Morris Piggott, Percy Nelson, Bob Gwin, Prentiss Jackson, Hans Johns, and Charles Hughes, all freight yard employees, and one other unidentified yard employee.

The Illinois Central track splits the downtown section of Magnolia, a community of about 2,200. Flaming gasoline from the explosion spewed over the workers unloading grain from three freight cars and onto one warehouse. The cars and the warehouse were badly burned.

Railroad spokesmen said there were no reports of passenger injuries.

There is a red and white sign at the crossing, witnesses said, making a stop at the crossing mandatory under State law. But there were no flashing lights or crossbars.

A Deserving Tribute to Gen. Elwood R. Quesada

EXTENSION OF REMARKS

OF

HON. HAROLD R. COLLIER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, January 23, 1961

Mr. COLLIER. Mr. Speaker, in expressing my sincerest regrets over the resignation of Mr. Elwood R. Quesada as Administrator of the Federal Aviation Agency effective January 20, I take this occasion to compliment him for having shown many unusual qualities sorely needed in Government today. He has demonstrated, in his complicated task, a refreshing frankness, great strength of character, and forthrightness in facing and solving problems.

Mr. Quesada has shown a boldness not often found these days in Government

administrators, as well as the trait of standing out against others for what he believed to be the best for the Nation in matters of aviation. In these days of multiple and sometimes unprecedented problems, these characteristics are indeed laudable. One can only wish that his successors and others in the Federal service will follow his lead.

In short, Mr. Quesada has clearly demonstrated that he was a public servant in the best sense of the word, and a truly dedicated one.

In planning and pursuing his course, it can only be said that his program will add greatly to the progress, growth, safety, and efficiency of air travel in this Nation. On this, I feel qualified to speak in view of my membership on the board of directors of the National Rocket Society, which has quickened my interest in, and knowledge of, the problems facing this new age of aviation.

As to his forthcoming role as president of the new Washington Senators' baseball club, and because of my longtime interest and participation in athletic pursuits, let me say that in my opinion, Mr. Quesada has earned the right to the wellwishes of everyone and also hopes for the greatest of success in whatever future endeavors he may undertake.

Louisiana's Only All-Girl Drum and Bugle Corps

EXTENSION OF REMARKS

OF

HON. EDWIN E. WILLIS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 23, 1961

Mr. WILLIS. Mr. Speaker, for the second consecutive time a musical organization from Abbeville, La., in the congressional district I have the privilege of representing, has had the honor of being selected to participate in the Presidential inaugural parade. In 1957 the Abbeville High School band marched on Pennsylvania Avenue for President Eisenhower's second inauguration and this year the Mount Carmel High School Eaglettes, Louisiana's only all-girl drum and bugle corps, was chosen for the parade at the inauguration of President Kennedy.

Arriving in Washington Wednesday morning, members of the drum and bugle corps and the adults accompanying them from Louisiana took part that afternoon in a ceremony in which a wreath was laid at the Tomb of the Unknown Soldier by Lee Ardoin, corps captain of the Eaglettes, and Sharran Hebert, lieutenant in the color guard, whose father lost his life in action in World War II. I was pleased to have the opportunity to be present for this impressive occasion.

Thursday was devoted to a sight-seeing tour by the group.

The Eaglettes were organized 3 years ago and are under the direction of Dr. S. J. LaBorde, assisted by Jackie Arce-neaux and Steve Robicheaux. The drum

and bugle corps was formed with the main purpose of performing for school football games and halftime shows, and at area festivals and fairs, but the organization's ability and popularity led to invitations to participate in many other events including the New Orleans Mardi Gras and the national convention of the American Legion at Minneapolis in 1959. Prior to the Presidential inauguration the members had been in 32 parades, marched a distance of 59 miles, traveled 4,741 miles, and given 47 field performances.

A strict set of rules and regulations governs the corps, including a required scholastic average for membership.

The Eaglettes were invited to the inaugural by Frank B. Ellis, of New Orleans, who served as President Kennedy's campaign director in Louisiana.

Members of the Eaglettes on the Washington trip: Lynne Dauteville, Julia Breaux, Marilyn Hulin, Elizabeth Reinsch, Dolores Lejeune, Sonja Stout, Lee Ardoin, Pat Landry, Claire Villien, Judy Hebert, Eloise Stauffer, Catherine Karl, Cheryl Creswell, Suzanne Boudreaux, Karen Broussard, Rebecca Motty, Cathy Toups, Connie Simon, Cynthia Logan, Kay Landry, Anne Soulier, Judy Chiasson, Natasha Villien, Margaret Soulier, Sharran Hebert, Kay Piazza, Waldean Sellers, Donna Trahan, Anne Leonard, Brenda Broussard, Cheryl Theriot, Jane C. Trahan, Rita Gayle Toups, Sandra L. Broussard, Pat Donohue, Cheryl Broussard, Susan Summers, Denese Nunez, Becky Broussard, Pat Veazey, Elaine Robin, Betty Richmond, Karen Breaux, Marjorie Pierce, Gwen Mayard, Louise Minvielle, Jeanette Cormier, Catherine LaBorde.

The ladies serving as chaperones: Mesdames L. Stoute, Alphe Hebert, W. Creswell, E. Soulier, Harold Trahan, Charles Trahan, Justin Broussard, S. J. LaBorde.

In addition to Dr. LaBorde, the director, the following men made the trip to Washington: Floyd Toups, Walton Sellers, Emery Toups, George Veazey, Davey Meaux, Dr. Harold Trahan, Jackie Arceneaux.

Washington Report

EXTENSION OF REMARKS

OF

HON. BRUCE ALGER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, January 23, 1961

Mr. ALGER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following Newsletter of January 20, 1961:

WASHINGTON REPORT

The inauguration, so long awaited and whose preparations have so long dominated the Washington scene, is finally a part of our Nation's history. It was not disappointing, as both end and beginning of administration's past events, and hopes for the future were joined. The entire ceremony spelled out the common bond and unity of all Americans.

It was a prayerful occasion. God-given human rights and the responsibilities which

accompany them were repeatedly stressed. President Kennedy's speech was stirring and forceful. It was a masterful statement of high resolve and principle. I was impressed by his recognition and determined acceptance of the challenge ahead for us in this troubled world. There was no mistaking his confidence, no doubt about his willingness to wade into the tough job ahead. Equally certain to me was the good will and God-speed in the hearts and minds of those present and Americans everywhere for the success of our newly elected leaders. Surely all Americans join now in prayerful hope that freedom and peace will advance under their administration.

The snow and cold, the discomfort, the political disappointments for some were forgotten as we united in our prayers and applause after John Kennedy's "So help me God." I know now I wouldn't have missed this historic and heart-quickenning event for anything.

Loyal opposition is the oft-used description of a minority party, and now for Republicans has new meaning. At this post-inaugural moment it is well to understand this phrase. To me it means loyalty to country and to our Constitution, supporting always what in one's own judgment best serves our Nation and people, and opposition to policies, legislation, and actions that do not best serve our Nation in advancing the cause of freedom under God-given rights implicit in our Constitution. Protecting our Constitution, the oath of each elected official, to me is very constructive, certainly not negative, even though it means saying no to certain legislation. Any parent knows that saying no to his child is generally for very positive and constructive reasons. So it is with legislation. Legislation harmful to our Constitution and basic freedoms must be opposed. That means saying no on occasion.

President Eisenhower's farewell address restated our determination to preserve peace with justice and freedom. Interestingly enough, the companion article in the same newspaper reported Khrushchev's claim that communism's worldwide victory is almost at hand. "The policy of peaceful coexistence," he stated, "facilitates the activities of the Communist Party." His boast reminds us of the continuing problem of containing communism and preventing its spread. The fact is we must do more. We must win the world to our side. There is no peaceful coexistence.

The President's budget message and Economic Report were presented to Congress this week. The budget estimates of \$80.9 billion expenditures and \$82.3 billion receipts should be replaced by \$101.8 billion and \$103.1 billion, respectively, which represent the total or cash budget. The slim surplus of \$1.5 billion is based on continuation of present taxes, the increase of the gas tax and raising of postal rates to a pay-as-we-use basis. Every budget has in it the built-in increase of Federal spending programs. So President Kennedy is faced with a dilemma, either he must abandon most, or all, of his new spending promises or he must raise taxes, or deficit finance with the accompanying inflation.

President Eisenhower said in his budget message we must apply the "test of necessity rather than desirability to the expenditures of government." He also pointed out that the cost of Federal Government today is less than in 1953 in terms of percentage of national income. Maurice Stans, outgoing Budget Director, said, "The budget of the U.S. Government affects all Americans. It is an annual financial plan, in which the President sets forth his proposals for meeting our national objectives and indicates the money needed to carry them out and how the money will be raised." How we raise money is the job of the Ways and Means Committee, of which I am a member. To have President Kennedy's program, or any

part of it, we must raise taxes. I am opposed to this and so will oppose new spending schemes. On the contrary, I believe we should repeal the Korean war taxes and start a broadly based tax cut. But to do this we must reduce Federal spending to stay within a balanced budget.

The Economic Report spells out the increase of real income to every wage earner since 1953, the increased stock ownership, life insurance, and gross national income. Since 1952, disposable personal income has risen 30 percent and per capita income 15 percent. Nor can government take the credit as many seem to believe who think the Federal Government is responsible for us. As the President said, "Government action is not the principal, let alone the sole determinant of the rate of economic growth," and further, "In our free economy, economic growth and the improvement of living standards depend not primarily on what government does, but mainly on what is done by individuals and groups acting in their own private capacities." To this I must add my endorsement.

Defense Procurement in Distressed Areas Can Help To Solve the Unemployment Problem

EXTENSION OF REMARKS

OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 23, 1961

Mr. VAN ZANDT. Mr. Speaker, we all agree that we can no longer continue to ignore the grave problems of distressed areas. This is no longer a political issue. Both major parties have endorsed plans to aid distressed areas in their 1956 and 1960 platforms. Within the next few weeks the Senate and House are expected to take action on area redevelopment legislation.

In addition to many bills pending in Congress providing for area redevelopment, my bill H.R. 275 introduced on January 3 provides for the allocation of defense contracts to areas of substantial labor surplus. This legislation if enacted will help to bring jobs for the unemployed in the areas of the Nation suffering from chronic unemployment.

If H.R. 275 becomes a law, it will permit the Government to do its share in aiding depressed areas by using its vast purchasing powers for which billions of dollars are appropriated annually.

During the administration of President Eisenhower he tried to relieve unemployment in distressed areas by issuing defense manpower, No. 4. This Executive order sets forth specific procedures under which Federal procurement agencies are to give special preference awards to areas of substantial and persistent labor surplus.

Mr. Speaker, it was a source of great disappointment to me that the Defense Department did not fully implement this Presidential directive. For example, in fiscal 1960 only \$6.7 million worth of orders have been placed in the distressed areas as a result of preferential treatment. This means that less than 1 per-

cent of the total Defense Department procurement was allocated to distressed areas.

I believe, therefore, that Congress should instruct the Defense Department to allocate a greater number of defense contracts in the distressed areas. To accomplish this purpose I have introduced H.R. 275 which will require the procurement agencies in the Defense Department to award contracts in the distressed areas whenever such action is compatible with the national defense.

My bill, H.R. 275, would not empower defense agencies to pay higher prices to firms locating in the distressed areas. It would, however, require the defense procurement officers to encourage firms in distressed areas to participate fully in defense procurement by making maximum use of competitive bids and set-asides. In plain words, it gives congressional approval to the policy which has been established by President Eisenhower through Executive Order No. 4. I am sure that the new administration will also support my bill. President Kennedy said during the course of last fall's campaign:

Compassion for the suffering and struggles of persons in distressed areas is a compelling reason to give special consideration to such areas in the procurement of supplies by the Federal Government.

Mr. Speaker, I urge that we approve H.R. 275 which not only has the support of the Eisenhower administration but, in addition, based on campaign statements last fall by President Kennedy is in line with his thinking on the subject.

As already mentioned my bill H.R. 275 gives to the Federal Government an opportunity to use its vast purchasing powers to provide employment for persons living in the Nation's pockets of chronic unemployment.

The USO: A Home Away From Home

EXTENSION OF REMARKS
OF

HON. HAROLD R. COLLIER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, January 23, 1961

Mr. COLLIER. Mr. Speaker, on the 20th anniversary of the United States Organizations—February 4, 1961—it is my pleasure to call to the attention of the Nation the powerful role played by the USO in America's relentless pursuit of peace throughout the world.

It is well for all of us to remember, I think, that the USO is representative of each of the major religious groups in the United States and is actually a federation of volunteer agencies through which all Americans can lend valuable assistance in serving not only the religious, but also the spiritual, recreational, social, welfare, and educational needs of all of our young people who are in uniform.

The USO, then, is truly a "home away from home" for millions of our lonesome military youths. It thus is a unifying force and carries out the American tradi-

tion of the family as the cornerstone of our society. As such, it serves as perhaps no other type of organization could, to convince these youths that they still are a very important part of this tradition, especially when they are serving in foreign lands far from home.

The vast majority of these 2½ million young men and women have shown their appreciation of the warm welcome extended to them by the USO, painfully mindful that they are far removed from the stabilizing and personal influences of their homes, their usual friends, their schools, and their customary religious affiliations, many for the first time in their lives.

As a "home away from home" the USO bridges the gap between the lonely American youngster in service and his accustomed way of life. This bridge also enables him to know that he can someday return to the way of life so dear to his heart.

Whatever we do for the USO cannot help but have a far-reaching effect on what our Armed Forces can accomplish as guardians of our peace and security.

Toward Equity in Taxation of Financial Institutions

EXTENSION OF REMARKS
OF

HON. BURR P. HARRISON

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 23, 1961

Mr. HARRISON of Virginia. Mr. Speaker, I have introduced H.R. 2899, a bill to provide for increased Federal tax revenues and to remove the present discriminatory application of Federal income tax law among commercial banks, savings and loan associations, and mutual savings banks.

The bill is a very simple one. It would repeal that provision in the Internal Revenue Code which establishes a reserve for bad debts for savings and loan associations and mutual savings banks. Such repeal would have the effect of making these institutions subject to the same statutory authority and regulatory procedures for the establishment of bad debt reserves as now are applicable to all other classes of taxpayers.

These procedures could take into account any indicated differences in the bases of tax equity for the associations and the mutual banks which might develop in an impartial evaluation of their financial structures and operating methods.

Savings and loan associations and mutual savings banks are vital parts of our financial system, and I would not for a moment wish to hinder the effective conduct of their business operations, but the fact remains that they do enjoy a favored tax position which enables them to avoid paying a fair share of Federal income tax. The Treasury has been deprived of needed revenue through this loophole for 8 years, and the situation will continue unless the law is changed.

Let me give a little of the background for this bill. In 1951, the Congress decided that savings and loan associations and mutual savings banks should be subject to Federal income taxes, at the corporate tax rate. During consideration of the 1951 legislation, a proposal was made that a tax advantage for these institutions was needed in order that they might build up reserves against future losses. An amendment to this effect was adopted immediately prior to final passage. It established a special tax-free reserve for bad debts in a manner not afforded any other type of business operation. Each savings and loan association and each mutual savings bank was allowed to accumulate tax deductible transfers to reserves in any reasonable amount as long as the sum of its surplus, reserves, and undivided profits was less than 12 percent of its deposits or repurchasable shares.

How has this provision worked? In the years since 1951, it appears that protection to shareholders through retained earnings has not increased. The ratio of surplus, undivided profits, and reserves to deposits has declined for both savings and loan associations who are members of the Federal Home Loan Bank System and for insured mutual savings banks. After 8 years under the 1951 law, savings and loan associations and mutual savings banks actually have a greater margin for deduction by transfers to reserves than they did when the law was first enacted. While these institutions are growing at a tremendous rate, the amount they pay in Federal income taxes shows hardly any increase from year to year. For example, in 1952 FHLB member savings and loan associations were reported to have had net profits before taxes of \$194,404,000 on which they paid \$3,176,000 in Federal income taxes, or 1.63 percent of net profits. In 1959 member savings and loan associations were reported as having net profits before taxes of \$555,787,000 on which they paid \$5,346,000 in Federal taxes, or less than 1 percent of net profits. At a time when the Government sorely needs tax dollars, these institutions should be required to pay their equitable share of taxes.

The bill only seeks to place savings and loan associations and mutual savings banks on an equal tax basis with other businesses so as to obtain the revenue which was anticipated when the original law was passed. They will still be able to supply mortgage funds needed for home financing, and also earn more than a sufficient return over expenses. All that is required to achieve this purpose is an amendment repealing section 593 of part II of subchapter H of chapter 1 of the Internal Revenue Code of 1954. Transfers to bad debt reserves would then be based on an amount which the Treasury determined to be reasonable rather than on an arbitrary percentage figure. It is estimated that the new law would raise between \$200 million and \$250 million the first year after passage.

I am pleased to see that my colleague from Missouri [Mr. CURTIS] has introduced an identical bill, H.R. 2900. Bipartisan support is always helpful, and

particularly important in tax matters. This proposed legislation has also been endorsed by five major bankers' organizations: The American Bankers Association, the Association of Reserve City Bankers, the Bankers Committee for Tax Equality, the Independent Bankers Association, and the Roth committee.

The Treasury's needs for funds are large and urgent. They can be partially met by eliminating unjustified tax advantages which accrue to savings and loan associations and mutual savings banks. These advantages provide them with a substantially tax-free use of retained earnings. A more reasonable sharing of the tax burden on the part of these institutions would contribute significantly to greater fairness in the application of the Federal income tax.

The text of the bill follows:

A bill to amend the Internal Revenue Code of 1954, as amended, with respect to the taxation of banks, savings and loan associations, and other institutions.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subchapter H of chapter 1 of the Internal Revenue Code of 1954 (relating to banking institutions) is amended by adding a new section 585 as follows:

"SEC. 585. Additions to reserve for bad debts.

"(a) In the case of a bank as defined for certain tax purposes in section 581 the Secretary or his delegate in determining the deduction to be allowed for a reasonable addition to a reserve for bad debts under section 166(c) shall take into account the total net transfers which have previously been made under section 166(c) of the Internal Revenue Code of 1954 and section 23(k) of the Internal Revenue Code of 1949 to such a reserve."

SEC. 2. Section 581 of the Internal Revenue Code of 1954 is amended by deleting the words "sections 582 and 584," and substituting therefor "sections 582, 584, and 585."

SEC. 3. Section 593 of subchapter H of chapter 1 of the Internal Revenue Code of 1954 is repealed and section 594 is renumbered 593.

SEC. 4. Section 166(g)(3) of the Internal Revenue Code of 1954 is repealed.

SEC. 5. The amendments and repeals made by this Act shall be applicable only with respect to taxable years beginning after December 31, 1960.

trial facilities which can compete successfully with the modern plant of Europe and the Soviet Union.

He also said:

Where we are certain that tax revision—including accelerated depreciation—will stimulate investment in new plants and equipment without damage to our principles of equity, we will proceed with such revision.

Mr. Speaker, on January 3 I introduced H.R. 274, a bill which amends the Internal Revenue Code to provide amortization deduction for industrial or commercial plants in depressed areas. In other words, through such a fast tax writeoff an incentive would be provided to locate industrial or commercial plants and facilities in economically depressed areas or areas of chronic unemployment. As will be noted, my bill, H.R. 274, would adopt the views of President Kennedy expressed at Philadelphia last October, but to initiate the tax amortization program it would be limited to areas having chronic unemployment.

Mr. Speaker, since the introduction of H.R. 274 on January 3 I have had a lot of mail from interested persons requesting background information on the rapid tax amortization program of recent years. To answer these inquiries, the following information has been compiled:

I. BACKGROUND OF THE RAPID TAX AMORTIZATION PROGRAM

What is rapid tax amortization?

Rapid tax amortization has been a device adopted by the Federal Government to give private manufacturers and other producers an incentive to build needed defense production facilities. Following Korea, production facilities representing an investment of \$38 billion were built under this incentive. The incentive is no longer available to industry in general.

The effect of granting the privilege of rapid tax amortization to a specific company (through a certificate of necessity) is to speed up or shorten the time period within which depreciation deductions can be taken by that company. It entitles a manufacturer to amortize for tax purposes the cost of his new plant and equipment over a 5-year period rather than over the much longer period applicable to plants not qualifying under the tax amortization program. It does not give a manufacturer a greater deduction but only a more rapid recovery of his capital investment.

Example of rapid tax amortization

A manufacturer building a \$100,000 factory normally would be permitted under internal revenue laws a deduction on his tax return of \$4,000 or \$5,000 each year for 20 or 25 years, as the case may be. This deduction for depreciation is considered a proper item of business expense.

If the same manufacturer had built a plant to produce an item required for mobilization programs, he could be granted through a necessity certificate the privilege of deducting \$20,000 each year for five years.

Assuming for a particular year the company made a net profit of \$25,000, over and above all expense except depreciation, it would pay taxes on only \$5,000. Without the privilege, it would be required to pay taxes on \$20,000 or \$21,000.

Legislative authority

Tax amortization of the type described is provided for in section 124-A of the Internal Revenue Code (sec. 216 of the Revenue Act of 1950), enacted on September 23, 1950. A certificate issued under this statute has no

value for tax purposes unless (1) the manufacturer makes a capital investment in plant or equipment, (2) the facility is completed and productive, and (3) a profit is earned.

The law contemplates the encouragement of expansion by private investment capital rather than public funds.

Korean experience

Early in the Korean conflict, the tax amortization program provided an incentive to eliminate critical deficiencies in defense production capacities and supplies.

Under the program, a total of 229 expansion goals were established for the purpose of measuring the deficit between estimated defense requirements under full mobilization and industry's capacity to meet such demands. From the beginning of the program through June 1958, over 22,000 certificates were issued, representing a capital investment of over \$38 billion, of which \$23 billion was eligible for the fast writeoffs.

Current status of program

Over the past 3 years most of the expansion goals have been closed as the required buildup of facilities was completed.

In August 1957 Congress enacted Public Law 85-165 which sharply limited the certifying authority—now extended only to facilities to produce new or specialized defense items or to provide research, development, or experimental services for the Defense Department or the Atomic Energy Commission.

The termination date of the entire tax amortization program was under the law December 31, 1959.

Application to surplus labor areas

Late in the program for encouraging the buildup of production facilities, it was linked by Executive action to the problem of areas of substantial labor surplus.

In the case of firms which expanded or located their new defense facilities in areas of substantial labor surplus, the percentage of total investment allowed rapid tax amortization was increased, usually from 10 to 25 percent. Hence, a company which ordinarily was permitted to write off 60 percent of its investment in a new facility was accorded a writeoff to as much as 85 percent if the facility was located in an area of substantial labor surplus.

Since the passage of Public Law 85-165 restricting the issuance of certificates of necessity, the rapid tax amortization program is no longer an effective aid to labor surplus areas.

II. PROPOSAL TO USE TAX DEDUCTIONS AS A DEVICE TO ASSIST LOCAL AREAS OF CHRONIC UNEMPLOYMENT

RAPID AMORTIZATION DIRECT TO MANUFACTURERS

The first method would use the rapid amortization privilege as a locational attraction for companies planning new facilities expansions. This method would allow the manufacturer to amortize, in a period of 5 years, a substantial part of all of his investment in such a facility, provided he located the facility in an area of chronic unemployment.

A bill incorporating this idea was pending in the 86th Congress and a similar measure has been introduced in this Congress as evidenced by the Van Zandt bill, H.R. 274, which has been referred to the Committee on Ways and Means. The Van Zandt bill proposes to amend the Internal Revenue Code of 1954 to provide an amortization deduction for certain facilities in areas of substantial surplus. The deduction would be available to "any person who constructs, reconstructs, or erects a substantial unemployment area facility" as defined in the bill.

As it stands, the bill applies to all areas of substantial labor surplus whether this condition is temporary or chronic. New employment-creating facilities are peculiarly appropriate to areas suffering from a chronic unemployment problem.

H.R. 274 Promotes Industrial Development in Local Areas of Chronic Unemployment Through Granting the Rapid Tax Amortization Privilege to Manufacturers Locating Facilities in These Areas

EXTENSION OF REMARKS OF

JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 23, 1961

Mr. VAN ZANDT. Mr. Speaker, in a statement in Philadelphia October 31, 1960, President Kennedy said:

The country must stimulate plant modernization programs which are vital both to increased production and to building indus-

The solution to areas of temporary unemployment lies in additional contracts, public works, and the like. If the bill were confined to areas with a history of persistent unemployment, a considerable number of areas of temporary unemployment would be eliminated (such as Philadelphia and Baltimore), and the effectiveness of the bill for chronic areas would be accordingly increased.

Mr. Speaker, the fast tax writeoff as provided in my bill, H.R. 274, is aimed at producing general industrial development in the labor surplus areas by providing jobs for the unemployed. The history of tax relief to manufacturers in the past reveals the success of the program. To be more specific many communities in the United States would be suffering from unemployment at this time were it not for the fact that fast tax writeoffs such as my bill, H.R. 274 provides, enabled them to diversify their economy by attracting new industries.

In Europe providing tax incentives to suitable industries located in areas of surplus labor has helped England, West Germany, and others to cope with their unemployment problems. When mentioning the success of the fast tax writeoff in Germany, it is only fair to point to the tremendous prosperity of West Germany and to add that tax policies designed to encourage private enterprise beginning in 1948 paid rich premiums and were instrumental in the phenomenal recovery of the economy of West Germany. In addition, the spectacular recovery of the economy is traceable to the fact that German industry enjoyed this fast writeoff of taxes in the construction of new plants.

Mr. Speaker, in conclusion let me mention again that tax amortization has been used as an economic recovery tool here in this country, as well as in Europe and Canada with equal success. Therefore, my bill, H.R. 274, should receive prompt and earnest consideration by not only the Kennedy administration but by both Houses of Congress.

Adjustments in the Veterans' Benefits Program

EXTENSION OF REMARKS
OF

HON. RICHARD L. ROUDEBUSH

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 23, 1961

Mr. ROUDEBUSH. Mr. Speaker, on January 18, 1961, it was my privilege to submit three bills for consideration by this body. This proposed legislation pertains to what I feel are necessary adjustments in the veterans' benefit program. I would like to make further explanation and provide a greater amplification of the purposes of this legislation and to explain to the Members of the House just what these bills are designed to do and how they will affect the veterans of this Nation. The legislation referred to by me are H.R. 2943, H.R. 2944, and H.R. 2945.

I would like first to discuss the purpose and the intent of H.R. 2945. This bill is designed to give priority to overseas combat veterans in obtaining admission to our system of Veterans' Administration hospitals. At the present time, entrance into our Veterans' Administration hospitals is according to a system of priority or categories defined by the Veterans' Administration regulations. Naturally, emergency conditions must, through necessity, have first priority, and this expediency must be maintained.

A second category in order of preference is those veterans of either wartime or peacetime service who seek hospitalization and treatment for disabilities specifically incurred in or aggravated by service. A third group or category is veterans with a service-connected disability but who seek treatment for disabilities not necessarily adjunct to their service.

In a final category are those wartime veterans who require treatment for disabilities not a result of service but who indicate they cannot financially bear the burden of hospitalization for the disability from which they suffer. It is in this final category that the legislation mentioned, H.R. 2945, would be effective. This group is furnished hospitalization only when surplus beds exist after taking care of the service-connected disabilities or emergency conditions mentioned in those categories of higher priority. In other words, after all the service-connected disabilities and after veterans with emergency medical conditions have been taken care of, then I feel that the combat overseas veteran should be given preference in obtaining treatment from any surplus beds which may exist. I think this is just and fair legislation, and I encourage favorable consideration by this body.

I would next like to discuss H.R. 2944, which I believe corrects an inequity which has existed for many years in regard to veterans' benefits. I might state at the outset that it is necessary to speak generally regarding this subject matter since all of the veterans about whom I speak will not be affected by this change in legislation.

During the history of our Nation, we have been engaged in many campaigns and expeditions, a great many of which actually involved armed conflict with an enemy of our country, but such campaigns and expeditions are not recognized under law as wartime service. To state it another way, many veterans who have been subject to the risk and the rigors of military living during a campaign or expedition against armed enemies are still considered peacetime veterans for many benefits available from our Government. To make this even more clear, I would like to state that one day of wartime service provides the prima facie eligibility for hospitalization, while a veteran may serve 6 months or even a year during a campaign or expedition of our Nation and this service would not constitute eligibility necessary for entrance into a veterans' hospital.

Such men and their dependents receive only benefits which accrue to vet-

erans of peacetime service. This proposed legislation which it was my privilege to introduce would provide that all veterans who served during the numerous campaigns and expeditions, or their dependents, shall be entitled to the same benefits they would have had if they served during a wartime period.

I think you will agree that the risks involved, the mental torment and rigors involved, during such campaigns or expeditions are just as dangerous, just as hazardous and trying as those experienced by veterans who served during wartime service.

The third piece of legislation, identified by H.R. 2943, would remove many of the objectionable features of Public Law 86-211. The bill which I introduced would affect the nonservice benefits to either the veteran or his dependents for service during World War I, World War II, or the Korean conflict. It would provide a great liberalization of the basis on which pensions are payable by eliminating many of the legal bars which now prevent receipt of such benefits. This legislation would provide first that public or private retirement pensions shall not be counted as income in determining whether or not a veteran or his dependents shall receive pension benefits, or in what amount they shall receive these benefits. The bill also eliminates the income of a spouse in the determination of the annual income of a living veteran.

I would like to point out that these changes cover two of the most objectionable features of the current law concerning nonservice benefits. At the present time, public retirement or private retirement payments are counted as income in determining the monthly allotment of pension payable and also in determining whether or not a veteran will qualify at all for such benefits. Also, the veteran is penalized if his spouse continues to work, since the income of the spouse is also counted in determining annual income thereby rendering many worthy and deserving veterans ineligible for this type of benefit.

The legislation which I introduced further eliminates the net worth eligibility test and repeals the requirement of the reduction of pension benefits during hospitalization of the veteran. I would like to point out that if there is ever a time when income is desperately needed, it is during a period of hospitalization. Cases have come to my attention where veterans who needed hospitalization actually refused this benefit because they simply could not afford to lose their pension rights during the period they were hospitalized.

Another feature which has received widespread opposition—and this is also changed by the legislation I proposed—is the so-called corpus of estate feature. This has caused widespread hardship and has penalized the veteran who has attempted to be thrifty and prudent during his lifetime. With the soaring cost of living, I also find it necessary to propose that the annual income requirements to receive nonservice pensions or death benefits be materially liberalized, thereby qualifying many veterans who

at present are barred from receipt of such benefits.

On January 23 I introduced H.R. 3087, designed to further improve the status of the veterans of this Nation, and particularly those who served in combat zones and were injured in line of duty under enemy fire. The present regulations provide disability compensation in the same amount whether a veteran is injured due to actual enemy fire or whether he suffers his disability during service within the continental limits of the United States.

To make this example even more clear cut, a veteran who suffers a disability in a jeep wreck in the United States, or perhaps is injured during an authorized pass at a recreational center receives the same rate of compensation as a veteran who is injured under combat conditions and under fire of the enemy. It would not be feasible to argue the point that one is not just as badly disabled whether he is injured within the United States or on the battlefield. But I do believe and hope that this body will agree that the veteran who has been subjected to enemy fire and whose disabilities were incurred under combat conditions is entitled to some additional consideration. My bill would provide a 20-percent increase over the regular rates for disabilities incurred in combat. This additional consideration of 20 percent would be given only for such disabilities incurred in line of duty and resulting from actual armed combat.

These bills which I have proposed are not tremendously costly items but will result in a fair adjustment with due consideration to the type of service to which our Nation's veterans have been subjected. I would like to point out that the hospital beds are already in existence and available in Veterans' Administration hospitals. This proposed legislation merely gives priority to those who have suffered in armed conflict. Also, this legislation proposed adjustments to those who have served in the numerous campaigns and brushfire wars to which the United States has been subjected in the past and it is possible could be subjected to in the future. The Government would give official recognition to the type of disability of the individual veteran and whether or not such disability was combat incurred.

Address by Senator Wiley Over Wisconsin Radio Stations

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Monday, January 23, 1961

Mr. WILEY. Mr. President, following the inauguration, we await expectantly and hopefully the proposals that will carry us across the New Frontier toward solution of major problems and meeting the complex challenges that confront the world in the early 1960's.

Now the time has arrived for deeds, not just words; for actions, not just admonishments; for realistic solutions to solve our problems, not just repetitions of time-tested, hope-raising ideals unaccompanied by adequate formulas to attain these goals.

These trying times, of course, also demand cooperation, bipartisanship, insofar as possible, and broad support of realistic efforts to meet our national goals.

Building upon the policies and programs of the past—and, as necessary, creating new ones—I am confident that, by putting our shoulders to the wheel, we, as a people, can succeed in surmounting the obstacles and going forward to build a better, brighter future.

Recently, in a broadcast over Wisconsin radio stations, I was privileged to review some of the long-range challenges confronting the Nation. I ask unanimous consent to have the text printed in the RECORD.

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

WILEY REVIEWS ISSUES BEFORE CONGRESS; OUTLINES ANTI-COMMUNIST PROGRAM

On Friday, the inauguration of our 35th President, John F. Kennedy, marked a next step of our Nation's long march toward its destined role in world history.

The occasion was a solemn one—shot through with a realization that upon new shoulders—that of the President and newly appointed administrative officials—rest decisions and responsibilities affecting the welfare and survival of all of us—now, and for the next 4 years.

The inauguration of a new President, also, presented to the world a dramatic demonstration of the workings of a true democratic process.

Now, we must adopt the right kind of policies and programs. If this is done, the nations of the globe—particularly the newly emerging ones—will again witness that a free government, "of, by, and for the people" best serves its citizens. We will again demonstrate also that—our free system—being more than self-serving, is capable of world leadership, of supporting efforts to protect the integrity of other nations; and of participating in programs to promote progress and peace for mankind.

The inauguration—involving parades, inauguration balls, and other festivities—was a gala affair. Now the ball is over. As a nation, we must get down to the business of carrying forward projects—and, as necessary, designing new policies—to serve our country and our people in the trying times ahead.

Currently, the new administration—with new appointees as heads of departments and agencies—is now attempting to get a grip on the reins of government.

While occupants of the driver's seats have changed, we find, however, that many of the long-range problems—more broad scope and lasting than the service of a one- or two-term administration—are still with us.

As we move forward into 1961, these big jobs include:

1. The issue of peace or war;
2. The task of combating communism;
3. Resolving our economic problems;
4. Fulfilling our obligations in education, housing, care of the aging, civil rights, and other fields; and
5. Generally creating the wide variety of policies and programs necessary to serve our country domestically and internationally.

The significance of these and other issues to progress and our survival demands a strong effort from the American people.

From time to time, there will—as in the past—be differences among us on how best to attain our goals. There is no pay dirt, however, in opposing for the sake of opposing. In circumstances of differing opinions, rather, we must encourage the offering of constructive alternatives to policies and programs which—in our individual judgment—are not adequate to the times.

Only by so doing, can we create the kind of constructive, realistic programs necessary to meet the great challenges of the early 1960's.

PEACE OR WAR

Briefly, now, let's take a look at some of the specific steps required in each of the major fields of endeavor.

The maintaining of peace—or, conversely, the prevention of a third world war, as well as brushfire wars—requires:

- A strong national defense;
- Greater cooperation with our allies—militarily, as well as in other ways—to block the outspreading of communism; and
- Effective efforts to prevent the domination of the non-Communist and newly emerging nations by communism—to avoid the Reds' gaining a balance of power in the nonmilitary fields of battle.

MULTIPRONED PROGRAM TO COMBAT COMMUNISM

Combating the worldwide Communist offensive is, in itself, a tremendous challenge.

The American people, despite a natural inclination for peace, must gird themselves for a long, tough pull against the Communist threat to our survival and world peace.

I am confident we have the manpower, resources, and technological know-how—and also a superior political-economic-social system, as well as principles and ideals—to defeat communism.

However, this will not happen by wishful thinking. Rather, it will be done only by creation of a strong anti-Communist program, including:

1. As I mentioned, the creation of an ever stronger nuclear-missile-space defense to deter military aggression by the Communists—since the Reds understand missile muscle better than words.

2. Development of an economic policy—strengthened by cooperation with our allies—to win on the economic front;

3. Carrying forward and, as necessary, expanding, our counteroffensive on the ideological battleground; and

4. Further strengthening our internal security program to protect ourselves from the Communists' nefarious activities.

These, then, are the basic steps for combating communism. However, this must not be allowed to absorb all our efforts, energies, and resources.

Instead, we need to engage in, not just a reaction program, but rather in positive, forward-moving efforts to channel more of the resources and manpower to creating a better life for more people.

STRENGTHENING THE U.S. ECONOMY

Briefly, now, let's take a look at our economic problems.

Across the Nation, there are—regrettably—about 4½ million unemployed and economic slowdowns in some businesses and industries.

As President Eisenhower, in his state of the Union message, pointed out, however, the country is still moving ahead with levels of employment and output of goods and services unsurpassed in our history.

In dealing with these economic difficulties, let's face some facts of life. The antidote to an economic setback is not to throw up our hands and shout: "Depression!" Psychologically, this could help to create one; perhaps it has already made the situation more difficult in this case.

Nor should Uncle Sam be expected to bear the whole burden of pump priming the

economy—as some would propose. The Treasury is not a bottomless pit, kept full by an invisible genie, creating new money without cost to the taxpayers.

All segments of the U.S. economy have a vested interest in, and a fundamental responsibility for, helping to resolve our economic problems. Among other things, this means attempts to create jobs for the unemployed and keeping the wheels of our free enterprise system rolling forward at a good rate of progress.

Now, what can be done?

In my judgment, new efforts are needed to:

Encourage greater confidence in—not attempt to undermine—our economy;

Encourage greater investment in enterprises—large and small;

Encourage greater labor-management-consumer cooperation; and

As necessary, expand Government programs for highway building, airport construction, etc.; and loosen up money policy; but only as necessary.

In all of this, of course, it is extremely important not to take action that would spur inflation and further depreciate the dollar.

The Nation, I am confident, will be able to deal swiftly and successfully with the economic slowdowns and unemployment—if we (1) encourage the cooperation of all segments of the economy to deal with the situation; (2) realistically emphasize the positive aspects of the picture—not enlarge the negative out of perspective; and (3) get rid of the pass-the-buck attitude of "Let Uncle Sam do the whole job."

MEETING NEEDS OF PEOPLE

Confronting us, also, in Congress is the need to better meet the needs of our people in the following fields:

1. Education: According to reports, we now lack about 130,000 to 142,000 classrooms and about 135,000 teachers, to serve the school population. As a result, our educational program is being handicapped by the lack of well-trained and well-paid teachers; obsolete, overcrowded classrooms—often attended in double shifts by students; a general inability to meet the special needs of students with differing degrees of intelligence and capabilities; and other shortcomings that handicap our system.

2. A good program for the aging: Today, there are more than 16 million people over 65, who do not have adequate incomes to provide a decent standard of living. The Congress will need to give attention to this problem—particularly to the health needs of our senior citizens; and

3. Civil rights: Through the effective administration of existing laws and, as necessary, the adoption of new ones, we need to assure protection of all the constitutional rights of our citizens.

UNRESOLVED PROBLEMS IN AGRICULTURE

Now, what about agriculture? As all of us recognize, no real solutions have yet been found for the production-consumption imbalance of farm commodities in dairying or other segments of farming.

Unfortunately, there is a strange anomaly: The United States has a stockpile of surplus commodities, valued at about \$9 billion. By contrast, however, billions of people elsewhere in the world are living on inadequate diets.

Over the years, efforts have been made to channel these valuable foodstuffs to the needy people. For example, President Eisenhower recently recommended distribution of more surplus foods through the United Nations. In addition, we have distributed these commodities abroad, either for humanitarian purposes or for exchange of other commodities.

Fundamentally, however, the American farmer is interested in—and must have to survive economically—sales, not giveaways.

Recognizing the increasing capability of our food production plant, as well as the growing need by the exploding population for more food, we need more effective, creative ways to distribute these life-giving products at home and abroad. As this can be successfully done, it will not only serve humanity, but also will strengthen our lagging agricultural economy.

In addition to Federal efforts in the field, farm organizations also could well cooperate by working together, as well as with the United Nations and other international groups, in the much needed effort to find new markets.

On January 26, the national farm organizations are meeting with the new Secretary of Agriculture, Orville Freeman. I am hopeful that the conference will result in some realistic proposals for dealing with the economic problems, not only in dairying, but also in other segments of agriculture.

The American Weekly Confirms Its Name

EXTENSION OF REMARKS

OF

HON. JOHN M. SLACK, JR.

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 23, 1961

Mr. SLACK. Mr. Speaker, before we of the House take up the serious and exacting duties of this 87th Congress, let me ask your indulgence on this first day of congressional activity under the administration of President Kennedy to offer a few comments in recognition of an outstanding public service.

No doubt most of you had occasion to see the American Weekly magazine distributed with the Sunday newspapers of January 15 and to note the magnificent cover portrait of President and Mrs. Kennedy which graced that page. During my years in business and in public life I have never seen a more attractive portrait, nor have I ever seen a more timely and effective public service undertaking by a major publication. I believe all of you have received, as I have, an enlarged copy of this same portrait suitable for framing. This special enlargement arrived at my office during the inaugural days when many of my constituents were visiting with me, and I was amazed and gratified by the unanimous approval expressed by everyone who viewed the picture.

In recognition of a service which in my judgment merits such recognition, I have today written Mr. John K. Herbert, publisher of the American Weekly and extended my congratulations to him. With your permission, I will include a copy of that letter at the end of these remarks.

Recalling the reactions of all who saw the picture in my office, however, I was struck with another possibility. It seems to me that, as we launch this new administration headed by determined and highly skilled young men—young men who will probably sweep aside many existing roadblocks to progress and install new methods and techniques—at this time we might well consider revision not only of the American national image abroad from an economic and political standpoint, but also a complete

revision of the image of our President and First Lady.

We have had more than enough dusty oil paintings on the walls of our Embassies and Legations overseas. Our people have broken with precedents in the recent national election—now they have chosen one who is relatively young, but widely acclaimed for his courage, determination, and capacity for meaningful work. And his is the great good fortune to have at his side a consort of such beauty, grace, and charm that even the haughty world of high fashion stands aside in deference to her tastes.

If any of us were to travel in a foreign country, we could point with pride to such a portrait and say, "This is our President and his wife. Regard them well and carefully, for of such is the leadership of our country constituted in these most troubled times throughout the world." I suggest, then, that this is the portrait to be displayed in every country with which we maintain diplomatic relationships, in the most ornate Embassies and most distant outposts of our consular structure.

These are Americans of this day and time, placed in their high position by the popular choice of a free people, and prepared to do what must be done at any cost in personal sacrifice. Let our friends be reassured, and let our enemies make of it what they dare.

Further, 10 million copies of this portrait distributed throughout the sensitive areas of the world will do more for American prestige at the beginning of this new administration than all of the loan funds dispensed during the past 4 years. By means of the qualities so beautifully portrayed in this portrait our friends will know that they have chosen wisely in their allegiances, and our enemies will give pause to think again before they reopen the gates of vituperation at the American Chief Executive.

JANUARY 23, 1961.

Mr. JOHN K. HERBERT,
Publisher, the American Weekly,
New York, N.Y.

DEAR Mr. HERBERT: Periodically in the Halls of the Congress complaints are voiced about the American press. Speeches are made criticizing various publications and denouncing the positions taken by certain editors and publishers. The question of just what liberties are included in the freedom of the press is raised, and sometimes ill-considered motions designed to limit or inhibit that freedom are introduced. In the long run, however, the good sense of the majority prevails, and our press remains free, chiefly because each of us who must consider the laws that govern our country has some recollection of instances in which the press has performed an enormous public service.

In recognition of such a service I write you and your colleagues of the American Weekly on this, the first official day of congressional activity under the administration of President John F. Kennedy. From many sources I have heard complimentary references to the magnificent portrait of President and Mrs. Kennedy which you distributed to 10 million American homes through the American Weekly, and to these approving words I wish to add my own compliments. You have played a major role in lending a certain tone of national unity and broad fellowship to Inaugural Week in Washington and to the beginning of a new national administration.

Make no mistake about it, Mr. Herbert. This was a "10-strike" indeed. The election results were close and many of our people were troubled about the outcome. Precedents were broken in all directions.

President Kennedy is the youngest man ever to be sent to the White House; he is the first man of his particular religious faith to be elected; he is the first President who was born in the 20th century; and, most thought provoking of all, he is our first President to have matured in his convictions since atomic fission turned loose among us the power to destroy all life on this planet. There is no previous President to whom he can be compared, and it is easy to see why many of our people held reservations about his candidacy.

But the votes have been counted and the proclamation has been made; he has taken the oath, and now he stands alone to face burdens of crushing weight and gargantuan size. Our people must learn to know him well, and they will look often at his picture for reassurance during the coming days of turmoil around the world. You have placed in their hands a superb portrait of a man who seems linked to high destiny—who has survived the dangers of war and the threat of serious illness to rise to the highest national office.

By your forethought, skill and sense of public duty you have made one of those great public service contributions which reaffirm the faith of our founders in the constitutional guarantees of freedom of the press to pursue its course without interference from government at any level. Again, I congratulate you upon what must be for you a most proudful accomplishment.

Yours sincerely,

JOHN M. SLACK, Jr.

the chronic nature of the problem and at the time offered the Congress an opportunity to enact legislation to strike at the root of the recession problem. He saw that many sections in the country were not sharing in the rising standard of living and in the expanding economy of the Nation, and he sought to aid them before their distress became a contagion affecting the entire country.

In each succeeding Congress, as the problem of chronic unemployment and underemployment grew, as the number of economically declining areas began to multiply, and as the lengthening lines of unemployed workers also began to cast elongating shadows across the land, the earnest and courageous senior Senator from Illinois beseeched us again and again to harken to his warnings and pass legislation to help those declining areas.

The recession which the country is experiencing right now is, no doubt, at least partially, due to the drag that the chronically depressed areas have had upon the economy. The record is clear that the country has never fully recovered from the 1958 recession. We cannot have a healthy economy when large numbers of people in distressed areas are poor customers for the products made in other sections of the country.

Right now we have at least 100 areas in the country which have been classified by the U.S. Department of Labor as areas of substantial and persistent unemployment. But in a number of these distressed areas, unemployment has reached depressionlike proportions. In these areas we find that every fifth able-bodied person willing to work and seeking work cannot find gainful employment because of the distressed economic conditions existing there.

This appalling situation has forced some 4 million people throughout these United States to depend for basic subsistence upon the meager rations distributed from surplus commodities by the Department of Agriculture. I used the word "meager" advisedly because the surplus food distributed by the Department of Agriculture is totally inadequate for the maintenance of even reasonably good health. Our people are the greatest and most important resource of the country. They are a resource we cannot afford to neglect through unemployment and through a handout diet of flour, cornmeal, rice, powdered milk, dried eggs, and lard.

Few people realize that we are trying to feed needy families on rations amounting to a retail value of less than 8 cents a day per person. Can anyone wonder, therefore, that there is real hunger in some sections of the country—not just an inadequate diet?

My own State of West Virginia has suffered most sharply from economic reversals during the past decade. Today, almost 295,654 persons, or about 1 out of every 6 in the State, are now dependent upon surplus foods. Today, too, the only balanced meal which many children of the unemployed get is the hot lunch served in schools.

Despite the gravity of the situation, the Federal Government has done very little to promote a positive program to help the depressed areas in these United States. The Government has demonstrated an ability to act speedily when disasters occur, either in the United States or in any part of the world. But it has also demonstrated an ability to shut its eyes to the disastrous situation that exists in many of the depressed areas.

The day for eye shutting is over. Our bitter experiences during the past decade should convince the most sincere believer in occult arts that the depressed areas are not going to disappear from our midst just because we choose to ignore the plight of the millions of people living in those areas.

Economists frequently suggest that a solution for the unemployed in distressed areas is to migrate elsewhere. Many have done

just that. They try to find jobs in other areas. The population of West Virginia has declined by 145,131, or about 8 percent, during the last 10 years, while the population of the United States increased by almost a fifth. But migration does not offer a solution to the problems of distressed areas. If anything, it adds to those problems because it encourages the dilapidation of vast invested social capital in the form of churches, schools, roads, and many other kinds of public facilities.

There is also another side to this migration proposal which thoughtful economists should consider. And that is that the movement of unemployed into new areas creates social and economic problems for those areas—increasing the pressure for housing, schools, and other public facilities, at a time when job opportunities have sharply diminished throughout the Nation. In recent years there has not been a single area in these United States which has experienced labor shortages.

There is no single simple solution to effectuate the rehabilitation of distressed areas. A variety of programs is needed. Happily, this is a situation recognized in the bill which the senior Senator from Illinois has introduced and which I have cosponsored.

This bill has four major provisions:

1. It provides technical assistance to communities to enable them to study their physical and human resources and evaluate their economic potential. On the basis of these facts, an economically distressed community would be able to approach potential employers with definite proposals as to the type of industry it could absorb.

2. In order to encourage prospective businesses to locate in a distressed community, or to encourage existing businesses to expand in the area, Senator DOUGLAS' bill would provide employers with needed capital at attractive rates of interest.

It is a well-established fact that conventional lending facilities are inadequate in distressed areas, particularly insofar as long-term, low-interest capital is concerned. What is needed, therefore, is an effective program to provide essential capital when it can be usefully employed. This should be a joint venture on the part of all levels of government and private enterprise, and S. 1 provides for such a joint endeavor.

Consequently, the Douglas bill provides for Federal loans which would cover, at most, 65 percent of the total capital needed for land and for building a new plant or commercial facility, or for the rehabilitation of a plant. The balance of the needed fund would have to be supplied either by the State, community, or by private capital.

In exceptional cases, the loans may also cover part of the cost of the machinery or equipment needed for the establishment of a successful enterprise, providing the working capital will be left completely to private enterprise.

I submit that this is a realistic approach to supplement the inadequate investment capital that exists in distressed areas. Altogether, the bill would establish revolving funds totaling \$200 million from which loans would be made for new businesses locating in distressed areas, as well as for expanding businesses. The loans would cover industrial and commercial enterprises, including tourist facilities.

I am of the opinion that the \$200 million in revolving funds established by the bill is a rather modest sum in view of the great needs and the large number of depressed areas. The fiscal year 1962 budget for foreign aid, I am advised, provides \$200 million for technical assistance and there is a request for \$700 million for development loans. As late as December 27, 1960, we extended, according to the newspapers, an additional \$100 million to Yugoslavia—this on top of all the millions of dollars we have already

Importance of Enacting Distressed Areas Legislation

EXTENSION OF REMARKS

OF

HON. ROBERT C. BYRD

OF WEST VIRGINIA

IN THE SENATE OF THE UNITED STATES

Monday, January 23, 1961

Mr. BYRD of West Virginia. Mr. President, last Wednesday, I was afforded the privilege of testifying before the Senate Banking and Currency Committee on S. 1, Senator DOUGLAS' area redevelopment bill. I ask unanimous consent to have a statement I made before that committee inserted in the RECORD.

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

STATEMENT BY SENATOR BYRD
OF WEST VIRGINIA

Mr. Chairman, the English poet John Keats penned a line of striking simplicity and truth when he wrote, "A thing of beauty is a joy forever." The reason I recall those words at this time is that they bring to my mind a somewhat resembling thought: A good piece of legislation is always a pleasure to talk about.

I refer, of course, to S. 1, the so-called distressed-areas bill, which has been offered for our consideration by the distinguished senior Senator from Illinois, Senator PAUL DOUGLAS.

With the keen foresight which we have come to admire and appreciate in him, Senator DOUGLAS, as far back as 1955, foresaw

extended to that country. We have long been cognizant of the needs of peoples in foreign countries, and now that we are equally concerned with the needs of our own people we should not be stinting in the aid we extend to them.

3. Many of the distressed areas do not have needed public facilities to attract new industry. Because of a deteriorated tax base over a long period of chronic unemployment, or chronic partial employment, these areas do not have sufficient resources to provide such facilities without outside help. The Douglas bill would, therefore, establish a revolving fund of \$100 million from which communities would be able to borrow funds in order to build industrial parks, improve public facilities, when necessary, and provide industrial water supply or other facilities essential for industry.

In extreme cases of need, the Federal Government would make grants to the communities on a matching basis to build such facilities. The extent of the Federal grants, however, would depend upon the ability of the communities and the States to participate in establishing the essential public facilities.

4. Finally, the bill also provides for training and retraining of workers in the distressed areas. The Federal Government has made grants to States for vocational training since 1917, when the Smith-Hughes Act was passed. The Douglas bill provides additional funds to expand such vocational facilities in distressed areas. The type of training or retraining that would be provided in these communities would, of course, depend upon the needs of the individual distressed area and the industries likely to be attracted.

Many of the unemployed workers in distressed areas have exhausted their unemployment insurance benefits. It would hardly be reasonable to expect that workers without any means of subsistence could undergo an effective training program. The Douglas bill, therefore, provides a limited appropriation of only \$10 million from which subsistence payments will be made to workers who are no longer eligible to collect unemployment insurance while they are undergoing training or retraining. The subsistence payments, however, would be limited to a period of 16 weeks.

These, in brief, are the major provisions of the area redevelopment bill.

There are many other provisions in the Douglas bill which merit careful consideration. However, I would like to touch on only two controversial provisions:

1. I have also heard that the bill would rob nondepressed communities of potential employees and additional jobs. Underlining this criticism of the bill is the assumption that our economic growth is extremely limited. This, I believe, is not true.

If anything, I believe the bill will help establish an atmosphere which will foster expanded economic growth, and that the new plants which it will encourage will provide additional jobs in the distressed areas. This will make it possible for additional total growth of the economy. Distressed areas, instead of serving as a drag on the economy, will aid in total economic expansion and growth. The distressed areas bill will, therefore, aid not only the people in these communities, but will also contribute to the healthy economic development of the whole Nation.

Finally, I would like to stress that the area redevelopment bill does not offer the total solution to the problems of the distressed areas. But this in no way detracts from its importance. As I have stated before, to evolve a comprehensive plan to solve the problems of distressed areas requires diverse measures. Such a full-bodied program has been thoroughly spelled out by the task

force to aid distressed areas which President Kennedy appointed in December of 1960.

A major recommendation of that task force was the passage of the area redevelopment bill which I have just outlined. This committee, to which I had the honor to serve as a consultant, rightfully gave priority to the passage of the area redevelopment bill. It is my deep conviction, and hope, that the 87th Congress will assign highest priority to the approval of this bill. The Douglas bill is not only a good piece of legislation; its enactment into law is vitally necessary.

Federal Rail Equipment-Leasing Agency Bill, H.R. 2078, Provides Needed Assistance for Our Nation's Railroads

EXTENSION OF REMARKS

OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 23, 1961

Mr. VAN ZANDT. Mr. Speaker, on January 6, 1961, I introduced H.R. 2078, a bill to establish a Railroad Equipment Administration within the Department of Commerce to purchase, finance, lease, and dispose of railroad rolling stock and to have available to it a working fund of up to \$500 million.

The proposed administration would be authorized to issue and have outstanding at any one time negotiable bonds in an amount aggregating not more than four times the total advances to its working fund and its accumulated surplus.

Under the proposed administration would be established a Railroad Equipment Board, composed of the Secretaries of Commerce and Defense and the Chairman of the Interstate Commerce Commission, or their nominees, plus four persons appointed by the President from outside the Government.

My bill, H.R. 2078, embodies provisions much like those of the so-called Symes plan put forward in mid-1957 by the Eastern railroads and presented to a House subcommittee by James M. Symes, then president of the Pennsylvania Railroad.

Similar legislation was introduced in the last session of Congress by Representative FLOOD, of Pennsylvania.

Mr. Speaker, H.R. 2078 would provide that no lease would set a term of years with respect to any particular class or type of railroad equipment exceeding the true economic life of such class or type. And unless the equipment board later changed the span, the following economic lives would apply to the classes indicated:

First. In the case of equipment to be used wholly or partly for the transportation of passengers, not more than 10 years.

Second. In the case of equipment designed solely for the transportation of property, not more than 20 years.

Third. In the case of equipment designed solely as locomotive power for the movement of other equipment, not more than 15 years.

When determination is made by the board of the true economic life of any class or type of railroad equipment the same shall not be changed for a period of 3 years thereafter.

The bill carries the following declaration of purposes:

It is hereby declared to be a matter of legislative determination that the equipment now being operated in interstate commerce by railroad companies is, to a considerable extent, inadequate and outmoded; that the increase, modernization, and stockpiling of such equipment is essential to (1) the proper functioning of the Government of the United States, (2) commerce among the several States, (3) carrying out the national transportation policy adopted by the Congress, and (4) the postal service and the national defense; that the Congress finds these essential objectives cannot be effectively achieved with the limited resources of the railroad industry, particularly in periods of shortages in the capital markets, that, in order to provide public participation in attaining these ends, it is necessary to enact the provisions hereafter set forth granting to a public agency certain powers to accomplish these objectives, and that the purchase, financing, leasing, and disposition of such equipment by the public agency hereinafter created, all as provided in this act, is hereby declared to be a public use and purpose.

The railroad lessees would assume sole responsibility for the construction of the equipment and would be obligated to assume the full cost and expense of securing proposals or bids for the construction. The submission of bids would be by public advertisement.

No tax could be imposed by any State or political subdivision on the manufacture, sale, purchase, or use of equipment owned or to be acquired by the rail administration.

In drawing up the leases, the bill provides that the following be included:

The amount of rental to be paid by the railroad to the administration over the term of the lease, which shall aggregate the following: (a) The original cost to the administration of purchasing the equipment covered by the lease, less such amount as the board shall at the beginning of the lease estimate to be the current scrap value thereof, and (b) the estimated interest cost to the administration of providing the funds with an added interest factor equal to one-fourth of 1 per centum annually with such combined interest factor being applied against the declining balances.

The railroads would be required to keep the equipment in good condition, would have to make good any equipment losses, would have to comply with all laws and with the equipment rules of the Association of American Railroads and would have to obtain permission to assign or transfer the lease or sublet the equipment. The administration could repossess equipment in case of default of any terms of the lease.

Section 304 of H.R. 2078 deals with the disposition of the equipment. It reads as follows:

Sec. 304. (a) Upon the expiration of the term of any lease, or sublease or assignment thereof, the administration shall promptly accept return by the railroad of the equipment covered thereby, or shall repossess the same by appropriate judicial process.

(b) Railroad equipment repossessed by the administration prior to expiration of the term of the original lease thereof may be

leased by it to another railroad for not more than the balance of said term, upon such terms and conditions as in the judgment of the board are most favorable, and the leasing of such equipment need not be subject to such terms of the standard lease as the board deems inappropriate in the circumstances.

(c) When the administration repossesses railroad equipment at the end of the term of the original lease, or is unable to re-lease equipment repossessed prior thereto, the administration shall offer to sell such equipment to the department or agency of the U.S. Government designated by the President by Executive order to undertake the stockpiling of railroad equipment. The sale price for each unit shall be the fair value as determined by agreement between the administration and such agency, but in no case may be less than the then scrap value of the said equipment. The department or agency acquiring such railroad equipment for stockpiling purposes shall not thereafter dispose of the same for other purpose than scrapping the said equipment, except that (1) in the event of national emergency declared by the President or by joint resolution of the Congress, or (2) pursuant to a decision by the Interstate Commerce Commission that a shortage exists in particular classes or

types of railroad equipment, any such equipment may be temporarily released for use by the railroads under appropriate terms and conditions until new equipment can be acquired.

(d) Any railroad equipment repossessed by the administration, which is not leased to another railroad under the provisions of the act, and which is not purchased for stockpiling purposes by a department or agency of the U.S. Government, shall thereupon promptly be sold and disposed of by the administration under such terms and with such guaranties as will assure that the said equipment shall be scrapped and not used by any railroad.

Among other provisions of H.R. 2078, the ICC would be directed to report to the new agency at least once a year on the supply and demand for railroad equipment. Rail equipment owned by the new agency would be subject to applicable provisions of the Interstate Commerce Act and to the exercise of jurisdiction by the ICC, with the agency required to file copies of all leases of equipment with the Commission.

A fine of not more than \$10,000 or imprisonment of not more than 5 years, or

both, is provided for anyone making any false statement for the purpose of influencing the rail administration or for obtaining money, property, a lease of real equipment, or anything else of value.

Terms of the members of the Railroad Equipment Board, aside from the three Government officials, would be 6 years. The Board would be directed to hold at least four meetings a year. The members would receive \$100 a day when actually engaged in the performance of their duties as such. An executive director would be appointed by the Board itself, but the bill does not specify what his salary would be.

Mr. Speaker, it is a well-known fact that most of the railroads of the Nation are faced with serious financial problems. As a matter of fact, the future of some of the eastern railroads is in jeopardy. The program provided for in my bill, H.R. 2078, is badly needed, and I hope that the House Ways and Means Committee will schedule early hearings on the legislation.

HOUSE OF REPRESENTATIVES

TUESDAY, JANUARY 24, 1961

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

Hebrews 10: 22: *Let us draw near unto God with a true heart in full assurance of faith.*

Most merciful God, at this noon hour, we are again entering the sacred retreat of prayer and approaching Thy throne of grace where none has ever been repelled or sent away without Thy needed blessing.

May our minds and hearts be the shrines and sanctuaries of Thy love and gird us with the spirit of humility and devotion as we strive to build the highway toward peace and good will.

Show us how we may dispel our doubts and fears by the expulsive power of a strong faith and teach us the wisdom of yielding our wills to the promptings and persuasions of Thy divine spirit.

In Christ's name we pray. Amen.

THE JOURNAL

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

COMMITTEE ON RULES

Mr. TRIMBLE, from the Committee on Rules, reported the following privileged resolution (H. Res. 127, Rept. No. 1), which was referred to the House Calendar and ordered to be printed:

H. RES. 127

Resolved, That during the Eighty-seventh Congress the Committee on Rules shall be composed of fifteen members.

JOINT SESSION OF THE HOUSE AND SENATE

Mr. McCORMACK. Mr. Speaker, I offer a concurrent resolution and ask for its immediate consideration.

The Clerk read as follows:

H. CON. RES. 109

That the two Houses of Congress assemble in the Hall of the House of Representatives on Monday, January 30, 1961, at 12:30 o'clock in the afternoon, for the purpose of receiving such communications as the President of the United States shall be pleased to make to them.

The House concurrent resolution was agreed to.

THE STORY OF AN INDUSTRY, A UNION, AND A LAW

Mr. LANE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

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

There was no objection.

Mr. LANE. Mr. Speaker, today I had an opportunity to join with other Members of Congress from the New England States and representatives of the Textile Workers Union of America, AFL-CIO, at a breakfast meeting held in the Congressional Hotel. The purpose of this get-together was to urge participation by the Members of Congress in the program of this textile trade union and to avail these leaders in the trade organization an opportunity to discuss with us their legislative aims in the 1961 session of Congress.

We were informed that the matters that interested the textile labor unions included an increase in the Federal minimum wage, area redevelopment,

medical care for the aged, aid to education, adequate housing and tariff, and related problems affecting the welfare of textile workers and the economy of the communities in which these textile industries are located.

Each one of us was presented with a special so-called "white paper" which the Textile Workers Union of America had prepared and which was addressed to the Congress on the subject of the Taft-Hartley Act, the Landrum-Griffin Law, and the abuses heaped upon labor by the present National Labor Relations Board as presently set up.

From the various speakers that addressed our meeting, I am thoroughly satisfied that there is an immediate need for a congressional committee to be set up to investigate and review the policy, the workings, and the decisions of that Board. I am hopeful that such a committee will have an opportunity to investigate this Board that evidently leans heavily to the side of the employer and management instead of rendering fair and reasonable decisions.

So that the Congress may be afforded an opportunity to know more about this situation that was so vitally brought to our attention by the 1951 report of the Subcommittee on Labor Management Relations of the Senate Committee on Labor and Public Welfare, I wish to include their "white paper" document entitled "Almost Unbelievable—The Story of an Industry, a Union, and a Law":

This is the story of 14 stormy years in the life of America's oldest industry, textiles, one of the Nation's most responsible trade union organizations, the Textile Workers Union of America, and one of the most controversial and least understood laws of the land, the Taft-Hartley Act.

Although it has been temporarily elbowed aside by the Landrum-Griffin Act, a law even more sweeping in scope, Taft-Hartley continues to be a colossus which stands in