

HOUSE OF REPRESENTATIVES

TUESDAY, FEBRUARY 27, 1962

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

Proverbs 3: 5: *Trust in the Lord with all thine heart; and lean not upon thine own understanding.*

Most merciful and gracious God, may we apprehend and appreciate more fully that we are daily being sustained by Thy divine providence and guided by Thy divine wisdom.

Make us humbly trustful of Thy love and devoutly obedient to Thy will, assured that out of the turmoil and tumult of our time there is emerging a new and higher civilization too wonderful for us to imagine and too glorious for us to dream.

Grant that while there is still so much of bitterness among the nations, our own beloved country may manifest that loftier spirit which has in it the finer essence of patience and forbearance, of compassion and brotherly kindness.

Hear us in Christ's name. Amen.

THE JOURNAL

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

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Ratchford, one of his secretaries, who also informed the House that on February 21, 1962, the President approved and signed a bill of the House of the following title:

H.R. 6013. An act for the relief of the Houston Belt & Terminal Railway Co.

COMMITTEE ON BANKING AND CURRENCY

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may be permitted to sit today during general debate.

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

There was no objection.

REPORT ON TREASURY AND POST OFFICE APPROPRIATION BILL, 1963

Mr. GARY. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations have until midnight Thursday, March 1, to file a privileged report on the Treasury and Post Office appropriation bill for the fiscal year 1963.

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

There was no objection.

Mr. PILLION reserved all points of order on the bill.

CONSTRUCTION OF TELEVISION FACILITIES FOR EDUCATIONAL PURPOSES

Mr. ELLIOTT, from the Committee on Rules, reported the following privileged resolution (H. Res. 552, Rept. No. 1390) which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 132) to amend the Communications Act of 1934 to establish a program of Federal matching grants for the construction of television facilities to be used for educational purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

BARRY PAUL COOK OF REVERE, MASS., 1 OF 40 FINALISTS IN SCIENCE TALENT SEARCH

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, for the second year in a row, Revere High School of Revere, Mass., has produced 1 of the 40 finalists in the science talent search, that screens the Nation's most talented high school seniors, to find those with the greatest potential as researchers.

Barry Paul Cook is the son of Mr. and Mrs. Arnold F. Cook, 26 Arlington Avenue, Revere. He was chosen because his unique project "Programed Robot," was judged 1 of the best 40 among 3,559 completely qualified entrants who participated in the competition.

Cook's robot will make it possible for experimenters to penetrate into regions where conditions would be intolerable for a human; for instance, under the sea or on the surface of the moon he can be commanded to perform certain tasks, without interference from obstacles.

Competitors were required to take the difficult science aptitude examination, submit school records and faculty recommendations, and to write a research report on an individual science project.

Science Service, through the Science Clubs of America, administers the annual science talent search. For the 21st year, it has been financed by the Westinghouse Electric Corp.

Cook is 1 of the 10 girls and 30 boys in the United States who have been

awarded an all-expense trip to Washington, D.C., where they will compete for \$34,250 in Westinghouse scholarships and awards during the 5-day Science Talent Institute program that begins on March 1.

I am proud of this young man from my district, whose achievement brings honor to himself, his parents, and Revere High School.

The creative ability, the eagerness, and the hard work of Barry Cook have won for him both recognition and opportunity. With these qualities, he will build a future in fulfillment of his talent, and in service to humanity.

In congratulating him, we congratulate his parents who provided him with the environment of a happy home, and the inspiration of love, understanding, and encouragement.

We thank the teachers who gave him the tools of knowledge and then challenged him to go forward on his own. There were many, but we give particular credit to Leonard D'Orlando, director of science in the Revere public schools who inaugurated the science fairs 6 years ago; and Frank Roberto, head of the science department at Revere High.

This is the way that freedom develops excellence from education.

Young Barry Cook has proved himself in competition. Because he is one of the Nation's most promising student-scientists, we say to him—to borrow the language of the space age—that everything is in a "go condition." As he moves on through college, postgraduate studies and into the research field of experimental physics we wish him every success in exploring the new frontiers.

AUTHORIZING REGULATORY AGENCIES TO ESTABLISH A SET OF FEES

Mr. YOUNGER. 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 California?

There was no objection.

Mr. YOUNGER. Mr. Speaker, for a number of sessions, I have introduced legislation authorizing the various regulatory agencies to establish a set of fees for licensing their regulatory services. I have never been convinced that tax money should be used by these agencies which grant protected licenses, worth in many cases millions of dollars, without any cost to the licensee.

The Federal Government has always charged for its regulatory services in connection with the national banks, the insurance of accounts, Federal Reserve membership, supervision of savings and loan associations, membership in the Federal home loan banks and Federal Savings and Loan Insurance Corporation. All of these agencies have been self-supporting and paid for by their members.

During this session I introduced H.R. 1118 for the purpose of instructing the

FCC, FAA, CAB, SEC, FTC, ICC, and the FPC to set fees for their services to the end that each of these independent agencies should recover, as much as possible, all their operating and regulatory expenses.

I am delighted to learn that the FCC has a new proposal to establish fees for licensing and regulatory services and has invited comments by April 16 to the new rulemaking. I only wish that other independent agencies would follow suit as rapidly as possible.

The fees as proposed by the FCC are, in my opinion, minimum but at least it is a decided step in the right direction and I believe the Commissioners in this agency should receive congratulations by the Congress for adopting this forward step looking toward a goal whereby ultimately they will be self-supporting.

THE SECRETARY OF AGRICULTURE

Mr. KING of New York. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

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

There was no objection.

Mr. KING of New York. Mr. Speaker, when the Secretary of Agriculture held a national conference here in Washington last January to urge the American people to drink more milk and eat more dairy products, I was of the opinion that he was doing the American farmer a genuine service. I believe that greater use of dairy products in their daily diet will improve the health of our citizens.

Therefore, I was amazed to discover that this same Secretary of Agriculture has proposed to the Congress the enactment of legislation to make sure that American families do not have enough milk to drink.

The new Freeman farm program contemplates the imposition of the most stringent controls on dairy farmers. Each farmer would have a production base from which his milk output would be reduced.

Let me call particular attention to these words in section 438(a) of the proposed bill, H.R. 10010:

The marketing of milk or any product thereof by a producer in excess of his marketing allotment for any marketing period shall be subject to a surplus marketing fee. The amount of the fee shall be established and announced by the Secretary in advance of the marketing period to which it applies and shall be not in excess of \$2.75.

In other words, if a milk producer sells more than his quota at any time—indeed if he gives it away—he can be fined up to \$2.75 per hundredweight. This is roughly 6 cents per quart. It is within 1½ cents of the current support price for manufacturing milk. No dairy farmer can afford to pay such a penalty, although some will no doubt be forced to. Section 440 of the bill has this provision:

Any person failing to make any report or keep any record as required by the Secretary, pursuant to this subtitle, shall be

guilty of a misdemeanor and, upon conviction thereof, shall be punished by a fine of not more than \$2,000 or by imprisonment for not more than one year, or both.

The milk producer, who, through no fault of his own, slips up and markets a few extra quarts of milk and forgets to record it will not only be fined 6 cents per quart. He could be fined \$2,000 or sent to jail for a year while his entire farm went to pot.

Mr. Speaker, no dairy farmer wants such penalties hanging over his head. Nor do I, for one, think that this Congress will ever adopt legislation providing such severe fines and sentences.

Let the dairy farmer and the dairy industry continue their fine efforts to promote the increased consumption of milk and butter, cheese and ice cream, free of any meddling by the Secretary of Agriculture.

THE LATE HONORABLE DAN R. McGEHEE

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

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

There was no objection.

Mr. WILLIAMS. Mr. Speaker, it is with sadness that I inform the House of the passing of the distinguished former Member who preceded me in service in this body, Hon. Dan R. McGehee, of Mississippi.

Mr. McGehee passed away at the Franklin County Hospital in his home town of Meadville on Friday, February 9, after an extended illness. Services were conducted on Sunday, February 11, from the Meadville Baptist Church, where he had been a faithful member for many years.

Mr. McGehee enjoyed a long and fruitful career in public service, and for many years was a leading figure in Mississippi's public affairs.

His first period of service was as a State senator from his home county of Franklin, from 1924 to 1928. From 1928 to 1932 he served with distinction as a member of the Mississippi State House of Representatives, and was again elected to the State senate in 1931.

Mr. McGehee resigned from the State senate in 1934 in order to make a successful campaign for election to the U.S. House of Representatives from the old Seventh District of Mississippi. He served in this body for six terms, until 1947.

Because of his outgoing personality and love for his fellow man Mr. McGehee made friends easily and to many was known affectionately as "Smiling Dan."

He was a gentleman in the true sense of the word.

Dan McGehee's passing leaves a void in the hearts of all who were privileged to know him.

To his wife and daughters, we extend our sincere and heartfelt sympathy.

I include a brief biography from the Biographical Directory of the American Congress, and an article from his hometown paper, the Franklin Advocate, along with a copy of a resolution adopted by the Mississippi State Legislature.

BIOGRAPHY OF DAN McGEHEE

McGehee, Daniel Rayford, a Representative from Mississippi; born in Little Springs, Miss., September 10, 1883; attended the public schools; was graduated from Mississippi College at Clinton in 1903 and from the law department of the University of Mississippi at Oxford in 1909; was admitted to the bar in 1909 and commenced practice at Meadville, Miss., also engaged in agricultural pursuits and banking; member of the State senate 1924-28; served in the State house of representatives 1928-32; again a member of the State senate 1932-34; elected as a Democrat to the 74th and to the five succeeding Congresses (Jan. 3, 1935-Jan. 3, 1947); unsuccessful candidate for renomination in 1946 to the 80th Congress; resumed the practice of law, agricultural pursuits, and banking, and is a resident of Meadville, Miss.

DAN R. McGEHEE

Services were held Sunday afternoon, February 11, from Meadville Baptist Church, for Daniel R. McGehee, with the pastor, Rev. B. T. Bishop, officiating, assisted by a former pastor, Rev. W. A. Greene. Burial was in Midway Cemetery, with Hartman Funeral Home in charge of arrangements.

The former statesman, and outstanding citizen, died at Franklin County Hospital Friday night, after a lengthy illness. He was 78.

Dan McGehee was born at Little Springs, son of the late Mr. and Mrs. Calvin McGehee. He graduated from Mississippi College in 1903 and received a law degree from University of Mississippi in 1909. He entered politics in 1924 and served a 4-year term in the State senate. From 1928 to 1932 he was a member of the State house of representatives before winning reelection to the senate. He resigned from the senate after winning election to the U.S. Congress, representing Mississippi's old Seventh District in the House of Representatives. He served as president of the Bank of Franklin from 1918 until his death.

His active years of service to his county, State, and Nation will long be remembered by those who knew him best, and there are many.

Survivors include his widow, Mrs. Dorothy Hunt McGehee; three daughters, Mrs. Deane Black and Mrs. Patricia M. Bush, both of Washington, D.C.; actress Gloria McGehee, Hollywood, Calif.; and a brother, Dr. J. C. McGehee, of Bude, Miss.

Pallbearers were: W. M. Scarbrough, Garveese Dillon, Carey Graves, Fred Lovett, Lamar Saxon, R. G. Saxon, J. F. Hollinger, and George Gagliardi.

SENATE CONCURRENT RESOLUTION 123

Concurrent resolution commending the public, private, and professional career of the late Daniel Rayford McGehee, of Meadville, Miss.; and expressing sympathy to his immediate family in the great loss of their beloved husband and father

Whereas our Almighty Creator, in His all-knowing and infinite wisdom, called home on February 9, 1962, at the age of 78, one of His servants in one of Mississippi's most distinguished, colorful, and dedicated citizens, the Honorable Daniel Rayford McGehee, of Meadville, Franklin County, Miss.; and

Whereas Mr. McGehee adequately prepared himself early in life for a public and professional career by receiving his baccalaureate degree from Mississippi College and

law degree at the University of Mississippi, and launched his professional career in his home community in 1909; and

Whereas by virtue of his enthusiastic leadership role in the interest of community improvement projects and programs designed for progress of all Mississippians, in addition to his skilled practice of law, Daniel R. McGehee was destined to become a successful businessman and possessed with many of the material things of life which he freely shared with his less fortunate fellow man; and

Whereas possessed with the desirable qualities of leadership, Mr. McGehee was elected to the board of directors and president of the Bank of Franklin at Meadville which he held for 42 consecutive years; and was also elected to two terms each in the State Senate and House of Representatives of the State of Mississippi, where his statesmanlike leadership was soon to be recognized and effectively used to improve his native State; and

Whereas during his final term in the upper house, of the Mississippi Legislature, Senator McGehee was elected to the U.S. House of Representatives where he served with dignity, integrity, and militant courage of his convictions on behalf of his State and Nation for six consecutive terms as Congressman from Mississippi's old Seventh District; and

Whereas Congressman McGehee retired from public office in 1947 to return to his first loves, his devoted wife, the management of his vast farming, livestock and timber interests in addition to his civic, banking and law interests; and

Whereas the life and record of his personable, stately, and extraordinarily successful and influential roles as a planter, banker, State legislator and Congressman, will leave a vacuum in the lives of his fine and devoted family and countless thousands of friends who share these loved ones' mourning in the demise of Daniel Rayford McGehee; Now, therefore, be it

Resolved by the Senate of the State of Mississippi (the House of Representatives concurring therein), That we do hereby commend the public, private and professional career of former Congressman Daniel R. "Dan" McGehee; and do by these presents, express publicly this State's sympathy with his respected family, and his many friends and acquaintances everywhere; be it further

Resolved, That this resolution be spread upon the minutes of this legislature's proceedings with enrolled copies to Congressman McGehee's widow and close companion in life, Mrs. Dorothy Hunt McGehee of Meadville, Miss.; to his daughters, Mrs. Patricia McGehee Bush and Mrs. Deane McGehee Black, both of Washington, D.C., and Miss Gloria McGehee of Hollywood, Calif.; and to his only surviving brother, J. C. McGehee, M.D., of Bude, Miss.; and a copy to each member of Mississippi's congressional delegation in Washington, D.C.

Adopted by the senate, February 12, 1962.

PAUL B. JOHNSON,
President of the Senate.

Adopted by the house of representatives, February 15, 1962.

GRIGGS G. CONNOR,
Speaker of the House of Representatives
pro tempore.

Mr. McCORMACK. Mr. Speaker, I am deeply grieved to learn of the death of our former colleague and our valued friend, Dan R. McGehee of Meadville, Miss.

Dan McGehee served his district with distinction in the House of Representatives from 1935 to 1947. He was a dedicated legislator, a hard-working Member, who served his people with great ability and with devotion and courage.

Possessing a keen and understanding mind, a man of nobility of character, a gentleman in every sense of the word, Dan McGehee enjoyed the respect and confidence of his colleagues.

He was my dear and valued friend. Between us there developed a friendship that I shall always treasure. I shall miss my dear friend, Dan McGehee, very much.

Mrs. McCormack joins with me in extending to Mrs. McGehee and her daughters our deep sympathy in their great loss and sorrow.

Mr. WHITTEN. Mr. Speaker, I join with my colleagues in expressing my sorrow at the passing of former Congressman Dan McGehee. It was my privilege to know him when a member of the Mississippi Legislature, before he came here to serve in the Congress. Always he was my friend.

Dan McGehee was a real American, possessed of an imposing figure and fine personality. When first I knew him he was affectionately referred to by the press as Smiling Dan McGehee. Truly he loved people.

Mr. Speaker, Dan McGehee made an enviable record as a Member of the Congress. He was courageous and firm in his stand on public issues, always a conservative and unusually sound in his views; busy, yes, but never too busy to accommodate a fellow Member.

Dan McGehee has a lovely family. His three daughters and his wife adored him as he did them. To his family we extend our deepest sympathy.

We have lost a friend and the Nation has lost a fine and great citizen.

Mr. WILLIAMS. Mr. Speaker, I yield to the dean of our delegation, the gentleman from Mississippi [Mr. COLMER].

Mr. COLMER. Mr. Speaker, I would like to join my colleague, the gentleman from Mississippi [Mr. WILLIAMS], and others in extolling the virtues of our deceased former colleague. It was my pleasure to serve in this body some 12 years with our late and lamented friend. During that service I learned to know and respect Dan McGehee as both a warm personal friend and as a dedicated Representative of his people in the Congress.

Dan McGehee possessed many splendid qualities both in the field of character and ability. Like all of us these qualities were possessed by him in varying degrees. From the personal angle, I am sure his most distinguishing virtue was his generosity and understanding nature in dealing with his fellow man. He was generous in both his attitude toward his fellow man as well as in dispensing his wealth in material things. He was considerate. He would not have willfully hurt an insect. He was incapable of doing a little or a mean thing.

Dan McGehee was a handsome man. Nature had provided him with a large and commanding physique. In many respects, he was typical of the popular conception of a Congressman. But he was more than a handsome statesman. He was a dedicated man. He believed in and practiced the fundamental cornerstones upon which the Republic was founded. Even after he left these

congressional Halls his interest in preserving and perpetuating our great free form of government was uppermost in his mind. I, among others, was a frequent recipient of letters as well as telephone calls expressing his concern about the trend so evident here in later years away from constitutional and toward a Socialist type of government.

Although our friend and former colleague lived a long and useful life and made a splendid contribution to good government and was a good provider for his splendid family, his passing leaves a void that will be hard to fill among those who knew and loved him.

Mrs. Colmer joins me in extending our sincere sympathy to his beloved widow, Dorothy, and his beautiful and talented daughters in whom he took such justifiable pride.

Mr. WILLIAMS. Mr. Speaker, I yield to the gentleman from Mississippi [Mr. WINSTEAD].

Mr. WINSTEAD. Mr. Speaker, it is with a feeling of great personal loss that I join my Mississippi colleagues in paying tribute to the memory of my good friend, the Honorable Daniel Rayford McGehee, with whom I was privileged to serve in this House for many years. In his passing Mississippi and the entire Nation has lost an outstanding citizen and I have lost one of my closest personal friends.

At an early age, Dan McGehee had charted his course of public service and enthusiastically filled a leadership role in his community. Prior to his election to the National Congress, he served two terms each in the State Senate and the Mississippi House of Representatives.

He was a patriotic American and a fine legislator—thoroughly devoted to his State and Nation. He was deeply conscious of the needs of his fellow man and throughout his tenure of service in the Congress, he represented the people in his district with a real sense of dedication.

To his devoted wife, Dorothy, and to their three lovely daughters, Deane, Gloria, and Patricia, I extend my deep and heartfelt sympathy. May each find consolation in the knowledge that he lived a full and worthwhile life.

Mr. WILLIAMS. Mr. Speaker, I yield to the gentleman from South Carolina [Mr. DORN].

Mr. DORN. Mr. Speaker, while I did not serve in the House with the late Dan McGehee, I knew him well. I looked forward to his annual visits to the Capitol. We had many long and pleasant conversations in the cloakroom and on the floor about the progress of his beloved Southland. Dan McGehee was a very loyal, patriotic American. He was dedicated to the principles of States rights and individual liberty. He was a conservative in the Jeffersonian tradition. I join my colleagues from Mississippi in expressing my sympathy to his wonderful family.

Mr. WILLIAMS. Mr. Speaker, I yield to the gentleman from South Carolina [Mr. RIVERS].

Mr. RIVERS of South Carolina. Mr. Speaker, everybody knew Dan McGehee when he was chairman of the Claims

Committee. He would break his neck to do a favor for a Member of this House. I remember the days when Harold Ickes was here and we were trying to build a pipeline when the submarines were sinking all the ships on the east coast, and I tried to get one from the Yazoo down in Dan's section in Mississippi to the starving east coast. And, I remember Dan helped me to get that authorization for the pipeline, but Ickes never built it. Yet, Dan helped us. Mr. Speaker, there will never be a more polished, self-effacing, kind gentleman than Dan. The distinguished gentleman from Mississippi [Mr. WILLIAMS] is doing us a great kindness for making this possible for us to pay a humble tribute to a humble and great man. God bless you, Mr. WILLIAMS, for this your tribute to your distinguished predecessor.

Mr. ABERNETHY. Mr. Speaker, will my colleague yield?

Mr. WILLIAMS. I yield to my colleague from Mississippi.

Mr. ABERNETHY. Mr. Speaker, I fully share the sentiment and thoughts expressed by my colleague in the passing of my late friend, Dan McGehee. Mr. McGehee was one of the great political and business leaders of our State. His career of public service was marked with accomplishment for the betterment of those who honored him with high office.

As a Member of this body he served with distinction and honor. He had many friends here; and, whether friend or foe, all respected and admired him.

Dan McGehee belonged to a school of thought which I regret to say is losing position in government but not because of a lack of effort on his part. He was a strong constitutionalist. He opposed the centralization of power in Washington, a power which is leading to the destruction of the State and subordinate governmental bodies.

Our late colleague was a successful businessman, a good husband and a kind father. Indeed, Mr. Speaker, his life was one that those who follow would do well to emulate.

My sympathy goes out to his fine family.

Mr. WILLIAMS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the life and character of our former colleague, Dan McGehee.

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

There was no objection.

Mr. SMITH of Mississippi. Mr. Speaker, I want to join in the tributes being paid today to the late Dan McGehee. Mr. McGehee was a devoted public servant who made a valuable contribution to the life of our State and Nation during his long career.

Dan McGehee will be mourned by many Mississippians who greatly appreciated his dedicated public service, as well as many others throughout the Nation who knew him during his illustrious public and business career.

I would like to express my personal sympathy to his family.

Mr. FISHER. Mr. Speaker, I wish to join with my colleagues in the House in paying tribute to our departed friend, the late Dan McGehee, of Mississippi. We all recall the distinguished service rendered by Dan, covering a historic period in our history from 1935 to 1947. I believe it is safe to say that every person who ever met Dan McGehee liked him. He was a loyal friend, a great patriot, and a dedicated public servant. He was always found on the front line in the battles to preserve the finest attributes of our great heritage.

I want to underscore all the fine things that have been said here today about our departed friend, and to extend to his family my deepest sympathy in their bereavement.

THE LATE HONORABLE JOHN RIDLEY MITCHELL

Mr. EVINS. Mr. Speaker, I have just been advised by a telephone call of the death of a former Member of the House—the Honorable John Ridley Mitchell, of Tennessee. It is my sad duty to announce to my colleagues the news of the passing of Judge Mitchell, who was a predecessor of mine and who previously represented in the Congress the Fourth District of Tennessee.

Judge Mitchell's life was filled with distinguished service to the people of his area, Tennessee, and the Nation. John Ridley Mitchell loved and enjoyed people and he was beloved by all. He was a beloved personality, a great speaker, and a great patriot.

On several occasions I was privileged to sit on the same platform with Judge Mitchell and to hear his eloquent language and his marvelous use of the English language. As a wonderful speaker and even though he has lived in semi-retirement for the past few years, he was always much in demand for public speeches and appearances.

Judge Mitchell first entered public life as assistant attorney general for the fifth circuit in Tennessee in 1908 and served in this position for 10 years until he was elected attorney general for the fifth circuit. He served in this capacity until 1925 when he was appointed judge of the fifth judicial circuit of my State. He was elected for an 8-year term in 1926, and served until he offered himself as a candidate for Congress. He was elected to the 72d Congress in November of 1930. He was reelected to the 73d, 74th, and 75th Congresses.

Judge Mitchell served as a member of the House Committee on Agriculture and distinguished himself in the Congress. His presence will be missed by his many, many friends.

To Mrs. Mitchell and members of his family I extend an expression of my most sincere sympathy in their loss and bereavement.

Mr. Speaker, I wish to include with my remarks a short biography of the Honorable John Ridley Mitchell, taken from the Biographical Directory of The American Congress, 1774-1961. The biography follows:

BIOGRAPHY OF JOHN RIDLEY MITCHELL
Mitchell, John Ridley, a Representative from Tennessee; born in Livingston, Over-

ton County, Tenn., September 26, 1877; attended the public schools; was graduated from Peabody College of Teachers, Nashville, Tenn., in 1896; private secretary to Representative C. E. Snodgrass 1899-1903; was graduated from the law department of Cumberland University, Lebanon, Tenn., in 1904; was admitted to the bar the same year and commenced practice in Crossville, Tenn.; presidential elector on the Democratic ticket of Parker and Davis in 1904; member of the State Democratic executive committee 1910-14; assistant attorney general of the fifth circuit of Tennessee 1908-18 and attorney general of the same circuit 1918-25; served as judge of the fifth circuit 1925-31; moved to Cookeville, Tenn., in 1931; elected as a Democrat to the 72d and to the three succeeding Congresses (March 4, 1931-January 3, 1939); was not a candidate for renomination in 1938, but was unsuccessful for the Democratic nomination for U.S. Senator; resumed the practice of law; attorney in the office of Allen Property Custodian from January 1943 to September 1945; special assistant to Attorney General in the Antitrust Division, Department of Justice, Washington, D.C., 1945-51; is a resident of Crossville, Tenn.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks and that all Members may be permitted to extend their remarks at this point on the life and character of the late John Ridley Mitchell.

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

There was no objection.

INTERNAL REVENUE SERVICE REGIONAL SERVICE CENTER, PORT HURON, MICH.

Mr. O'HARA of Michigan. 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 Michigan?

There was no objection.

Mr. O'HARA of Michigan. Mr. Speaker, the Internal Revenue Service is presently considering the establishment of a number of regional service centers, and is canvassing communities in the three-State area of Illinois, Michigan, and Wisconsin for a location for such a center for that IRS region.

Mr. Speaker, the city of Port Huron, Mich., through action of its city commission last night, has offered to build and lease to the Internal Revenue Service such facilities for \$1 a year. This morning I received a telegram from Ray Mathieson, mayor of Port Huron, which reads as follows:

PORT HURON, MICH., February 26, 1962.
Congressman JAMES G. O'HARA,
House of Representatives,
Washington, D.C.:

The City Commission of the City of Port Huron, Mich., this evening passed the following resolution and urges that you follow through on this matter with the proper Federal agencies:

"Whereas the President of the United States suggested on January 21, 1961, in his inaugural address, 'Ask not what your country can do for you, but what you can do for your country': Now, therefore, be it

"Resolved, That the city of Port Huron, Mich., offer to the Internal Revenue Service, Treasury Department, Washington, D.C., a

new 200,000-square-foot office building to be built to their specifications and located on a 30-acre site to be leased at \$1 per year for use as their proposed data-processing center for the Midwest area."

RAY L. MATHIESON,
Mayor.

Mr. Speaker, I wish to congratulate the city officials of Port Huron on their farsighted action, and encourage the Internal Revenue Service to give serious consideration to the application of the city of Port Huron and other progressive communities in the State of Michigan of which Port Huron is an outstanding example.

HEALTH AND MEDICAL CARE—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 347)

The SPEAKER laid before the House the following message from the President of the United States; which was read, referred to the Committee of the Whole House on the State of the Union, and ordered to be printed:

To the Congress of the United States:

The basic resource of a nation is its people. Its strength can be no greater than the health and vitality of its population. Preventable sickness, disability, and physical or mental incapacity are matters of both individual and national concern.

We can take justifiable pride in our achievements in the field of medicine. We stand among the select company of nations for whom fear of the great epidemic plagues is long past; our life expectancy has already reached the biblical three score and ten; and, unlike so many less fortunate peoples of the world, we need not struggle for mere survival. But measured against our capacity and capability in the fields of health and medical care, measured against the scope of the problems that remain and the opportunities to be seized, this Nation still falls far short of its responsibility.

Many thousands needlessly suffer from infectious diseases for which preventive measures are available. We are still 10th among the nations of the world in our infant mortality rate. Prolonged and costly illness in later years robs too many of our older citizens of pride, purpose, and savings. In many communities the treatment of the mentally ill and the mentally retarded is totally inadequate. And there are increasingly severe shortages of skilled personnel in all the vital health professions.

Basically, health care is a responsibility of individuals and families, of communities and voluntary agencies, of local and State governments. But the Federal Government shares this responsibility by providing leadership, guidance, and support in areas of national concern. And the Congress last year recognized this responsibility in important ways.

PROGRESS DURING 1961

Our States and communities have responded quickly and with impressive vigor to the invitation to cooperative action extended by the Community

Health Services and Facilities Act passed by the Congress and signed into law only 4 months ago. As a result, better care for the chronically ill and the aged will soon be available in many parts of the Nation, both inside and outside the hospitals and other institutions in this program.

There is also visible progress in the effort to control water pollution, resulting from the expanded legislation passed by the Congress in 1961. Last year construction was begun on more waste treatment plants than ever before in our history—30 percent above the calendar year 1960 level.

There were, in addition, other important forward thrusts taken, with Federal help, in the protection of our Nation's health. Medical research advanced at an accelerated pace. We are now better equipped than ever before to evaluate and deal with radiation perils. The incidence of polio has been reduced to the lowest levels ever recorded. We have engaged our most talented doctors and scientists in an intensified search for the cause and cure of cancer, heart disease, mental illness, mental retardation, environmental health problems and other serious health hazards.

But, of the four basic improvements in the Federal health program I recommended to the Congress last year, two urgent needs—health insurance for the aged and assistance to education for the health professions—have not yet been met. The passage of time has only served to increase their urgency; and I repeat those requests today, along with other needed improvements.

I. HEALTH INSURANCE FOR THE AGED

Our social insurance system today guards against nearly every major financial setback: retirement, death, disability, and unemployment. But it does not protect our older citizens against the hardships of prolonged and expensive illness. Under our social security system, a retired person receives cash benefits to help meet the basic cost of food, shelter, and clothing—benefits to which he is entitled by reason of the contributions he made during his working years. They permit him to live in dignity and with independence—but only if a serious illness does not overtake him.

For, compared to the rest of us, our older citizens go to the hospital more often—they have more days of illness—and their stays in the hospital are thus more costly. But both their income and the proportion of their hospital bill covered by private insurance are, in most cases, substantially lower than those of younger persons.

Private health insurance has made notable advances in recent years. But older people, who need it most but can afford it least, are still unable to pay the high premiums made necessary by their disproportionately heavy use of health care services and facilities, if eligibility requirements are to be low and the scope of benefits broad. Today, only about half of our aged population has any health insurance of any kind—and most of these have insufficient coverage.

To be sure, welfare assistance, and Federal legislation to help the needy or

"medically indigent," will provide health services in some instances. But this kind of help is not only less appealing, coupled as it is with a means test, it reaches very few of those who are not eligible for public assistance but are still not able to afford the care they need.

I therefore recommend again the enactment of a health insurance program for the elderly under the social security system. By this means the cost of health services in later years can be spread over the working years—and every worker can face the future with pride and confidence. This program, of course, would not interfere in any way with the freedom of choice of doctor, hospital, or nurse. It would not specify in any way the kind of medical or health care or treatment to be provided. But it would establish a means to pay for the following minimum levels of protection:

First. Inpatient hospital expenses for up to 90 days, in excess of \$10 per day for the first 9 days (with a minimum payment by each person of \$20), and full costs for the remaining 81 days.

Second. The cost of nursing home services up to 180 days immediately after discharge from a hospital. By providing nursing home care for twice as long as that in the hospital, the patient is encouraged to use the less expensive facilities when these will satisfy his requirements.

Third. The cost of hospital outpatient clinic diagnostic services in excess of \$20. These benefits will reduce the need for hospital admissions and encourage early diagnosis.

Fourth. The cost of community visiting nurse services, and related home health services, for a limited number of visits. These will enable many older people to receive proper health care in their own homes.

It should be emphasized that we are discussing a gap in our self-financed, contributory social insurance system. These are all insurance benefits which will be available to everyone over 65 who is eligible for social security or railroad retirement benefits. They would be entirely self-financed by an increase in social security contributions of one-quarter of 1 percent each on employers and employees, and by an increase in the maximum earnings base from \$4,800 a year to \$5,200 a year. No burden on the general revenues is involved. I am not unmindful of the fact, however, that none of our social insurance systems is universal in its coverage—and that direct payments may be necessary to provide help to those not covered for health insurance by social security. But the two problems should not be confused—and those who have never made any contribution toward the system should not be regarded as in the same category as those who have—and because a minority lacks the protection of social security is no reason to deny additional self-financed benefits to the great majority which it covers.

II. HEALTH PROFESSIONS PERSONNEL

The Nation's health depends on the availability and efficient use of highly trained and skilled professional people.

These people are in very short supply. Unless we take steps to train more physicians and more dentists, the promise of modern medicine cannot be fully realized.

In an earlier message this year, I repeated my recommendation for Federal aid for the construction and expansion of schools of medicine, osteopathy, dentistry and public health, and for helping talented but needy students pursue their professional education. I recommended: (1) A 10-year program of grants to plan and construct such professional schools in order to increase the Nation's training capacity; and (2) a program of Federal scholarship aid for talented students in need of financial assistance, plus cost-of-education payments to the schools.

The urgency of this proposal cannot be repeated too often. It takes time to construct new facilities and many years for doctors to be trained. A young man entering college this fall will not be ready to start his practice until 1972—and even later if he plans to enter a speciality. The costs of construction and operation are mounting. Only six schools of medicine have been opened in the last decade; and the number of graduates has risen only 15 percent. Over the same period, student applications to medical schools have declined sharply. Our ratio of active physicians to population is less today than it was 10 years ago, and growing worse, and in the next 10 years we shall need to expand existing medical and dental school facilities, and to construct 20 new medical and 20 new dental schools.

We must also provide financial help to talented but needy students. I have previously expressed concern over the fact that medicine is increasingly attracting only the sons and daughters of high income families—43 percent of the students in our Nation's medical schools in 1959 came from the 12 percent of the U.S. families with an annual income of \$10,000 or more.

A survey has shown that 4 years in medical school cost each student of the 1959 graduating class an average of \$11,600. More than half of them had to borrow substantial sums to complete their education, and one-third of the group had an average debt of \$5,000. Many of these students have from 1 to 7 years of additional professional training, at low stipends, facing them. Obviously further loans and further debts are not the answer.

Also: modern health care is extremely complex. It demands the services of a skilled and diversified team of specialists and technical personnel.

But there are shortages in almost every category—and the shortages are particularly severe in nursing. Last year I authorized the Surgeon General of the Public Health Service to set up a consultant group on nursing, and a comprehensive study of this field is well underway. I expect to receive their report in the near future.

III. IMMUNIZATION

There is no longer any reason why American children should suffer from polio, diphtheria, whooping cough, or tetanus—diseases which can cause death

or serious consequences throughout a lifetime, which can be prevented, but which still prevail in too many cases.

I am asking the American people to join in a nationwide vaccination program to stamp out these four diseases, encouraging all communities to immunize both children and adults, keep them immunized, and plan for the routine immunization of children yet to be born. To assist the States and local communities in this effort over the next 3 years, I am proposing legislation authorizing a program of Federal assistance. This program would cover the full cost of vaccines for all children under 5 years of age. It would also assist in meeting the cost of organizing the vaccination drives begun during this period, and the cost of extra personnel needed for certain special tasks.

In addition, the legislation provides continuing authority to permit a similar attack on other infectious diseases which may become susceptible of practical eradication as a result of new vaccines or other preventive agents. Success in this effort will require the wholehearted assistance of the medical and public health professions, and a sustained nationwide health education effort.

IV. HEALTH RESEARCH

The development of these immunization techniques was made possible by medical research, just as it has made possible the new drugs, surgical techniques and other treatments which have virtually conquered many of the leading killers of a generation ago—tuberculosis, pneumonia, rheumatic fever and many others.

But conquest of the infectious diseases, by increasing our lifespan, has made us more vulnerable to cancer, heart disease and other long-term illnesses. Today, two persons die from heart disease and cancer in the United States every minute. Last year, more than 1 million Americans fell victim to these merciless diseases.

They are not merely diseases of old age. Cancer leads all other diseases as the cause of death in children under age 15. Of the 10 million Americans who suffer from heart disease, more than half of them are in their most productive years, between 25 and 64.

Fortunately, medical research, supported to an increasing degree over the past 15 years by the Federal Government, is achieving exciting breakthroughs against both cancer and heart disease as well as on many other fronts. We can now save one out of every three victims of cancer, compared to only one out of four saved less than a decade ago. Our nationwide cancer chemotherapy program is saving many children and adults who would have been considered hopeless cases only a few years ago. And advances in heart surgery have restored to productive lives many thousands, while full prevention of many forms of heart disease seems increasingly within our reach.

We must, therefore, continue to stimulate this flow of inventive ideas by supporting medical research along a very broad front. I have proposed substantially increased funds for the National

Institutes of Health for 1963, particularly for research project grants, and the training of specialists in mental health. Expenditures by the Institutes in 1963 are estimated to exceed \$740 million, an increase of more than \$100 million from the current year and a fourfold increase in the last 5 years. I am also renewing my recommendation that the current limitation on payment of indirect costs by the National Institutes of Health in connection with research grants to universities and other institutions be removed.

In keeping with the broadening horizons of medical research, I again recommend the establishment of a new Institute for Child Health and Human Development within the National Institutes of Health. Legislation to create this new Institute was introduced in the last session of Congress.

We look to such an Institute for a full-scale attack on the unsolved afflictions of childhood. It would explore prenatal influences, mental retardation, the effect of nutrition on growth, and other basic facts needed to equip a child for a healthy, happy life. It would, in addition, stimulate imaginative research into the health problems of the whole person throughout his entire lifespan—from infancy to the health problems of aging.

As a parallel action I am requesting authorization for contracts and cooperative arrangements for research related to maternal and child health and crippled children's services. This legislation, introduced in the last session of Congress, would strengthen the programs of the Children's Bureau in these areas, and foster effective coordination between the research activities of this Bureau and those of the proposed new Institute.

I also recommend that the present Division of General Medical Sciences at the National Institutes of Health be given the status and title of an Institute. This program supports fundamental research in biology and other sciences, and strengthens the research capabilities of universities and other institutions.

Last year, Congress enacted legislation temporarily extending and expanding the program of Federal matching grants for the construction of health research facilities. This program has been very successful, and it should be further extended.

In these and other endeavors, including our new National Library of Medicine, we must take steps to accelerate the flow of scientific communication. The accumulation of knowledge is of little avail if it is not brought within reach of those who can use it. Faster and more complete communication from scientist to scientist is needed, so that their research efforts reinforce and complement each other; from researcher to practicing physician, so that new knowledge can save lives as swiftly as possible; and from the health professions to the public, so that people may act to protect their own health.

V. MENTAL HEALTH

While we have treated the physically ill with sympathy, our society has all

too often rejected the mentally ill, consigning them to huge custodial institutions away from the heart of the medical community. But more recently, the signs of progress toward enlightened treatment have been increasing. The discovery and widespread use of tranquilizing drugs over the past 6 years has resulted in an unprecedented reduction of 32,000 patients in the census of our State mental hospitals. But one-half of our hospital beds are still occupied by the mentally ill; and hundreds of thousands of sufferers and their families are still virtually without hope for progress.

I want to take this opportunity to express my approval, and offer Federal cooperation, for the action of the Governors of the 50 States at a special national Governors' conference called last November. In accepting the challenge of the report of the Joint Commission on Mental Illness and Health, they pledged a greater State effort—both to transfer treatment of the majority of mental patients from isolated institutions to modern psychiatric facilities in the heart of the community, and to provide more intensive treatment for hospitalized patients in State institutions.

But this problem cuts across State lines. Since the enactment in 1946 of the National Mental Health Act, the Federal Government has provided substantial assistance for the support of psychiatric research, training of personnel and community mental health programs. The Government is currently spending over \$1 billion annually for mental health activities and benefits. The National Institute of Mental Health alone will use approximately \$100 million this year. Approximately \$350 million is budgeted by Federal agencies for the care of the mentally ill; over \$500 million is spent annually in the form of pensions and compensation for veterans with neuropsychiatric disorders; and additional sums for similar benefits are paid by the social security and other Federal disability programs.

But far more needs to be done. Adequate care requires a supply of well trained personnel, working both in and out of mental hospitals. In 1946, there were only 500 psychiatric outpatient clinics in the Nation. Today, there are more than 1,500. More than 500,000 people received treatment in these clinics last year. We are making progress—but the total effort is still far short of the need. It will require still further Federal, State, and local cooperation and assistance.

I have directed the Secretary of Health, Education, and Welfare, the Secretary of Labor, and the Administrator of Veterans' Affairs, with the assistance of the Council of Economic Advisers and the Bureau of the Budget, to review the recommendations of the Joint Commission on Mental Illness and Health and to develop appropriate courses of action for the Federal Government. They have been instructed to consider such questions as the desirable alignment of responsibility among Federal, State, and local agencies and private groups; the channels through which Federal activities should be directed; the rate of expansion possible in the light of trained

manpower availabilities; and the balance which should be maintained between institutional and noninstitutional programs.

Meanwhile, we must continue our vigorous support of research to learn more about the causes and treatment of mental illness. We must train many more mental health personnel. We must continue to strengthen treatment programs for Federal beneficiaries through our many existing Federal institutions, including St. Elizabeths Hospital. And I have recommended added funds for the National Institute of Mental Health to increase its program for the training of professional mental health workers and physicians.

VI. MENTAL RETARDATION

The nature and extent of mental retardation is often misunderstood. It is frequently confused with mental illness. While mental illness disables after a period of normal development, mental retardation is usually either present at birth or underway during childhood. It is not a disease but a symptom of a disease, an injury, or some obscure failure of development. It refers to a lack of intellectual ability, resulting from arrested mental development, and manifesting itself in poor learning, inadequate social adjustment, and delayed achievement. Its causes are many and obscure. We are encouraged with each new discovery—but present knowledge of this condition is still so fragmentary that its prevention and cure will require continued and persistent research over an extended period of time. The present limitations of knowledge make diagnosis extremely difficult, particularly since it involves the very young. And a major obstacle to progress is the lack of personnel trained in the special skills required to work effectively with the mentally retarded.

Thus, in spite of the progress made in recent years, mental retardation remains one of our most serious health and education problems. Approximately 5 million people in the United States are mentally retarded; and each year more than 126,000 more babies are born who will suffer from this tragic affliction.

I have asked the Panel on Mental Retardation which I appointed last year to appraise the adequacies of existing programs and the possibilities for greater utilization of current knowledge. It will review and make recommendations with regard to (1) the personnel necessary to develop and apply new knowledge; (2) promising avenues of investigation, and the means to support and encourage research along these lines; and (3) improvement and extension of present programs of treatment, education, and rehabilitation.

I expect the Panel's report before the end of this year; and we should then be ready for the next phase of the attack upon this problem. I am confident that the work of this Panel will help us chart the path toward our ultimate goal of preventing this tragic condition.

VII. TOWARD A MORE HEALTHY ENVIRONMENT

There is an increasing gap in our knowledge of the impact upon our health of the many new chemical compounds

and physical and biological factors introduced daily into our environment. Every year 400 to 500 new chemicals come into use. Many of them will improve the public health. Others, regardless of every safeguard, present potential hazards. Each year there are 2 million new cases of intestinal disease. Hepatitis is at an alltime high. We need to apply additional protection against every new hazard resulting from contamination of the air we breathe or the water we drink.

As I already mentioned, the water pollution control legislation passed by the Congress last year has permitted us to step up our efforts to purify our water. We should make a similarly accelerated effort in parallel fields. I am therefore recommending—

1. Legislation to strengthen the Federal effort to prevent air pollution, a growing and serious problem in many areas. Fresh air cannot be piped into the cities, nor can it be stored for future use. Our only protection is to prevent pollution.

Under the existing Air Pollution Act, the Federal Government is conducting badly needed research on the biological effects of air pollution; developing improved methods for identifying, measuring, analyzing, and controlling pollution; and working with State and local officials to accelerate necessary control programs.

I recommend that the Congress enact legislation to provide:

(a) authority for an adequate research program on the causes, effects, and control of air pollution,

(b) project grants and technical assistance to State and local air pollution control agencies to assist in the development and initiation or improvement of programs to safeguard the quality of air, and

(c) authority to conduct studies and hold public conferences concerning any air pollution problem of interstate nature or of significance to communities in different parts of the Nation.

Legislation along these lines has already passed the Senate, and I urge final favorable action in this Congress.

2. In order to provide a central focal point for nationwide activities in the control of air pollution, water pollution, radiation hazards, and occupational hazards, I recommend the establishment of a National Environmental Health Center. This center will serve as the base laboratory for research and training activities, and as headquarters for Public Health Service personnel concerned with health hazards in the environment. It will facilitate regular and frequent collaboration between Public Health Service scientists and those with whom they should consult in other Federal agencies. The center will serve also to encourage closer cooperation with industrial research and control groups, with universities and private foundations, and with State and local agencies.

3. Finally, I have recommended an increase in the appropriations for the study and control of water and air pollution and for research into protection against radiation peril.

VIII. ENCOURAGEMENT OF GROUP PRACTICE

Akin to the problem of increasing our overall supply of professional and technical health personnel is the problem of making more effective use of the personnel we already have. Experience in many communities has proven the value of group medical and dental practice, where general practitioners and medical specialists voluntarily join to pool their professional skills, to use common facilities and personnel, and to offer comprehensive health services to their patients. Group practice offers great promise of improving the quality of medical care, of achieving significant economies and conveniences to physician and patient alike, and of facilitating a wider and better distribution of the available supply of scarce personnel.

A major obstacle to the development of group practice, however, particularly in our smaller communities, is a lack of the specialized facilities needed. I therefore recommend legislation which will authorize a 5-year program of Federal loans for construction and equipment of group practice medical and dental facilities, with priority being given to facilities in smaller communities and to those sponsored by nonprofit or cooperative organizations.

IX. HEALTH OF DOMESTIC AGRICULTURAL MIGRANT WORKERS

Domestic agricultural migrants and their families—numbering almost 1 million persons—have unmet health needs far greater than those of the general population. Their poor health not only affects their own lives and opportunities, but it is a threat to the members of the permanent communities through which they migrate. The poverty of these migrants, their lack of health knowledge, and their physical isolation and mobility, all tend to limit their access to community health services. To help improve their health conditions, I recommend—in addition to expanding the special Public Health Service activities directed to them—the enactment of legislation to encourage the States to provide facilities and services for migrant workers.

X. PUBLIC HEALTH SERVICE REORGANIZATION

Changes in recent years have greatly increased the responsibilities of the Public Health Service. Some major organizational changes are necessary in order to help this agency carry out its vital tasks more effectively. I will shortly forward to the Congress a proposal which will make these reorganizational changes possible. It will permit more effective administration of community health programs and those dealing with the health hazards of the environment.

OTHER HEALTH GOALS

The struggle for improved health is never ending. While we are pressing new attacks in sectors of past neglect and present urgency, we must continue to advance along the entire front.

Health facilities construction: I have asked the Secretary of Health, Education, and Welfare to review the program of federally aided medical facility construction, to evaluate its accomplish-

ments and future course. Through the Federal support provided by this very successful program, general medical care facilities have been constructed in most of the areas of greatest need. There are, however, large and urgent unmet requirements for facilities to provide long-term care, especially for the elderly, and short-term mental care at the community level. In addition, a growing number of existing urban hospitals require modernization so that they may continue to serve the needs of the people dependent upon them.

Health of merchant seamen: Over the past several years funds for the operation of the Public Health Service hospitals have been substantially increased to improve the quality of medical care for merchant seamen and other beneficiaries. A start has also been made on enabling these hospitals to conduct medical research. I have directed the Secretary of Health, Education, and Welfare to develop a plan for providing more readily accessible hospital care for seamen and for improving the physical facilities of those Public Health Service hospitals which are needed to provide such care.

Physical fitness: The foundation of good health is laid in early life. Yet large numbers do not receive necessary health care as infants and schoolchildren. The alarming rate of correctible health defects among selective service registrants highlights the problem. In all 50 States there has been a gratifying response to my call of last year for vigorous programs for the physical development of our youth. Pilot projects stimulated by the President's Council on Youth Fitness proved that basic programs, within the reach of every school, can produce dramatic results. Our children must have an opportunity for physical development as well as for intellectual growth. Our increased national emphasis on physical fitness, based on daily vigorous activity and sound nutritional and health practices, should and will be continued.

International health: Finally, it is imperative that we help fulfill the health needs and expectations of less developed nations, who look to us as a source of hope and strength in fighting their staggering problems of disease and hunger. Mutual efforts toward attaining better health will help create mutual understanding. Our foreign assistance program must make maximum use of the medical and other health resources, skills and experience of our Nation in helping these nations advance their own knowledge and skill. We should, in addition, explore every possibility for scientific exchange and collaboration between our medical scientists and those of other nations—programs which are of benefit to all who participate and to all mankind.

CONCLUSION

Good health is a prerequisite to the enjoyment of pursuit of happiness. Whenever the miracles of modern medicine are beyond the reach of any group of Americans, for whatever reason—economic, geographic, occupational, or other—we must find a way to meet their

needs and fulfill their hopes. For one true measure of a nation is its success in fulfilling the promise of a better life for each of its members. Let this be the measure of our Nation.

JOHN F. KENNEDY.

THE WHITE HOUSE, February 27, 1962.

MEDICAL CARE FOR THE AGED

Mr. HALPERN. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. BARRY] may extend his remarks at this point in the Record and include extraneous matter.

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

There was no objection.

Mr. BARRY. Mr. Speaker, with the receipt of the President's message, Congress is once again embroiled in the highly controversial issue of medical care for the aged. The President has placed this social security medical care program on the agenda of "must" legislation. Secretary Ribicoff has emphasized that he believes this legislation has great appeal to the voters. As in 1960, alternatives, compromises, rumors of political deals and clever parliamentary maneuvers are being reported daily in the press. The Congress, in this highly charged political atmosphere, will have to make fundamental decisions which, for years to come, will affect the quality of medical care in this country and could extend the social security program into areas hitherto uncharted.

The decisions made this year will be crucial. A wrong answer could be irreversible. But I seriously question whether the Congress is yet in the position to make the well-considered decision which is called for in this situation, on the desirability of adopting the President's proposal at this time. More specifically, I believe we cannot really take intelligent action until we know precisely what kind of a job the Kerr-Mills law—medical assistance for the aged—is capable of doing. To give a fair test to Kerr-Mills, which has been in effect in New York less than a year, is, I believe, the only sound approach. It is a position which is supported by most thinking Members of both parties. It is the approach of the Democratic chairman of the Committee on Ways and Means, the Honorable WILBUR D. MILLS, and of the chairman of the Republican policy committee, the Honorable JOHN W. BYRNES, an important member of the committee which considers this legislation. These two gentlemen have probably listened to more testimony on medical care for old people than any men in Congress.

As you may recall, the medical assistance for the aged program was born out of 13 weeks of executive sessions of the Committee on Ways and Means in the spring of 1960. It is based upon the historic principle of Federal-State cooperation whereby the rights of the States are preserved in effective copartnership relationships. It allows great latitude to the States in their determination of eligibility under the general purpose of the Federal law of providing aid to persons not on old-age assistance but whose

income and resources are insufficient to meet the cost of necessary medical services. Likewise, there is also great latitude left to the States in determining just what type of benefits will be most needed and most appropriate for their own people. The Kerr-Mills law also provided more favorable Federal financial participation in the old-age assistance medical care programs so as to encourage the liberalization of those programs already in existence and to encourage the establishment of programs in those States without such programs.

The implementation of the Kerr-Mills law has been carried out by the States with remarkable speed. This is due, in large part, to the program's support by the medical profession and also the favorable attitude of public welfare authorities. Latest statistics show that, as of January 22, 1962, 24 jurisdictions have the new medical assistance for the aged programs in effect. One more State has submitted its plan and three other jurisdictions have enacted legislation but the plan has not yet been submitted.

Let me briefly trace its rapid development. In March of 1961, five States had programs and payments were averaging \$187 a month on behalf of 21,000 recipients. In August of this year—just 5 months later—the 14 jurisdictions with going programs showed payments for that month totaling about \$12 million to 60,000 recipients for an average payment of over \$200. As of November 1961, the new program was in effect in some 16 jurisdictions and was caring for some 71,652 recipients who were receiving payments which amounted to over \$15 million for that month. The average payment for the 27,291 recipients on medical assistance for the aged in the State of New York for that month was \$320.37. Moreover, as of December 1961, some 22 States had improved their coverage of content of services under the old-age assistance provisions of the Kerr-Mills law.

It is very early to assess the results of the Kerr-Mills legislation. Many States are experimenting with their programs, and expansion and contractions should be expected until they are able to arrive at programs which are completely adapted to local conditions. There have been some early difficulties in working out arrangements with doctors and hospitals, but the Kerr-Mills law provides the governmental mechanism which is most acceptable to the medical and hospital community because they know it is flexible enough to meet their particular problems.

Moreover, development of the medical assistance for the aged program has probably been inhibited, to some degree, by the arguments of those supporting the administration bill that it would soon be outmoded by a social security oriented program. Some State legislatures, as a result, have been reluctant to devote funds to the new program on the ground that it might be quickly superseded. This is understandable in view of the fact that the administration has been pulling out all stops to get its legislation on the books this year. If we in Congress make the right decision these in-

hibitions will be removed and we will get a clearer picture of just what Kerr-Mills can really do.

The need for caution and serious consideration by Congress before rushing headlong into the adoption of a social security medical care program is obvious for a number of reasons. I will mention just a few of them. One is that Congress should consider all the implications of introducing an entirely new concept of benefit under the social security program. For the first time there would be created a service benefit which has no wage relation or contribution relation to the beneficiary. In the past this wage-related cash benefit principle has been held to be a cornerstone of the social security system by the very people who now argue so vehemently for the President's program. To get medical care benefits, they seem willing to scrap this principle. Congress should look long and hard before it takes any step away from this philosophy. Such a departure could have the effect of undermining the philosophical base for the entire benefit and eligibility structure of the social security program. It also introduces the problems of administration of service benefits which the social security people, by training and experience, are not equipped to deal with.

Congress should also take a long and hard look at the additional social security tax which will be involved in the President's program. Under existing law the social security tax was increased this year and will be increased again in 1963, in 1966, and in 1968, to finance the present program. Thus, in 6 short years, the combined employer-employee tax will jump from 6¼ to 9¼ percent even without the enactment of this program. Any medical care proposal will have to be added on top of that.

Last spring, Secretary Ribicoff, under questioning by the Senate Finance Committee, stated that, in his judgment, the combined employer-employee tax should not go above 10 percent. His medical care program would add another half percent bringing the total cost to 9¾ percent. This would leave just a quarter of a percent with which to deal with all of the other possible improvements which may be needed in the program. In this sense, adoption of the medical care program may foreclose any congressional consideration of such policy questions as the relaxation of the earnings limitation which currently penalizes people for working and the blanketing in of those elderly widows and others not now covered under the social security system largely because their jobs or their husbands' jobs were specifically excluded from coverage under the system during their working life. I am not convinced that there has been any showing by the administration that their proposal, which will pay medical benefits to some people who actually do not need them, and will not pay benefits to others outside social security who do need them, is any more socially desirable than some of the measures I have mentioned.

Likewise, the Congress should give serious thought to the fact that many millions of people, both people who need benefits and those who are completely

self-sufficient, will receive social security health benefits toward which they have made absolutely no contribution, because they were retired before the program goes into effect. This development would accentuate a situation under social security whereby younger workers are continually being forced to foot a greater proportion of the cost of the system. Actuarial studies, based on the social security legislation up until 1958 have shown that workers over age 20 in 1958 and their employers, as a class, will pay only about 42 percent—21 percent each—of the value of their benefit.

Workers in the future, and their employers, on the other hand, will pay 169 percent—84.5 percent each—of the value of their benefits. This disparity would be further increased by the administration's medical care bill under which millions of retired people, as I have said, will receive benefits without having made any social security tax contribution toward their cost. The question arises as to whether providing benefits only to people in need from general revenue taxation under Kerr-Mills is not a more preferable and equitable approach.

Apart from all these considerations, there is also the basic and very practical question of what effect the enactment of this legislation might have on the quality of medical care which could be provided, and the administrative problems which would arise, particularly because its administrative authority rests with the Federal Government. The bill provides, under the reassuring heading "Prohibition Against Interference," that "except as otherwise specifically provided," no Federal officer or employee can "exercise any supervision or control over the administration and operation of any such hospital, facility, or agency." However, the head of the legal division of the American Medical Association, in pointing out the significance of the phrase "except as otherwise provided," listed in the hearings some 10 specific exceptions in the administration bill which affect, in his words, "the practice of medicine and indicates in varying degrees an immediate supervision and control of medical personnel and facilities."

There is room for much deep thought in the following summary statement presented by the American Medical Association before the Committee on Ways and Means on this very important point:

It is axiomatic that the Federal Government tends to control what it subsidizes. Indeed, the Government must, for it is duty-bound to see that the taxpayer's money is spent properly and with efficiency. The problem arises as a result of the fact that the providers of services and the Government may not see eye to eye on the subject of what constitutes efficiency. For as I shall discuss later, Government must concern itself primarily with the financial aspects of these programs; and the health professions must, if they are to provide quality medical care, concern themselves with quality medical care above all else.

[The administration bill] disclaims its intention of meddling with the free practice of medicine, Mr. Chairman, as is customary in all bills which seek to utilize the compulsory social security mechanism as a device for financing health care for the aged.

But if a single Government agency were empowered to buy from 10 to 20 percent of all care in the Nation's general hospitals, it takes no outja board to predict that this agency would wield the power it had been given to influence the operation and management of such hospitals.

In this area of delicate relationships between Government and the medical profession I think it has been demonstrated that arrangements at the State and local level allowed by Kerr-Mills tend to preserve the freedom of the medical profession, and it is this freedom which is the only really effective safeguard against the deterioration of the quality of medical care.

On July 31, 1961, my colleague, the gentleman from Texas, Congressman BRUCE ALGER, entered into the CONGRESSIONAL RECORD an editorial from the Chicago Daily Tribune which referred to the pilot Medicare program undertaken by the State of Colorado. The article points up many of the unfortunate results of this plan which have led to widespread disillusionment on the part of the State legislature. In the words of the Tribune:

Colorado's failure, with a program covering only 52,000 persons, demonstrates the basic unsoundness of President Kennedy's vastly greater proposal, scheduled for legislative action next year.

The Kerr-Mills program is an important piece of legislation. It is congressional recognition of the precarious plight of some of our older citizens who are particularly vulnerable to heavy medical bills. It provides generous Federal matching funds to the States so that these people—the people who really need such assistance—can be protected against the financial catastrophe of a serious or expensive illness. This is a program, I believe, which will meet the needs of the American people if it is given an honest and fair trial. On the other hand, if the Congress acts precipitously, under the President's prodding, we may saddle ourselves and our children with a program which would put the Federal Government into an entirely new kind of activity in a very sensitive area of human and governmental relations, and which could have the effect of injuring, rather than helping, the fine medical care which the American people are receiving today.

MANPOWER DEVELOPMENT AND TRAINING ACT OF 1961

Mr. MADDEN. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 544 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 8399) relating to the occupational training, development, and use of the manpower resources of the Nation, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed three hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Education

and Labor, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. MADDEN. Mr. Speaker, I yield myself such time as I may require, after which I yield 30 minutes to the gentleman from New York [Mrs. ST. GEORGE].

Mr. Speaker, House Resolution 544 calls up for debate and consideration House bill 8399. The rule calls for 3 hours' debate. I wish to congratulate the House Education and Labor Committee and particularly Congressman HOLLAND, of Pennsylvania, chairman of the subcommittee, for bringing this very necessary legislation on the floor of the House.

The manpower development and training bill is probably the most important piece of domestic legislation to come before the House during this session. It is important because something must be done to prevent the necessary costs of automation and economic growth from continuing to fall most heavily on those people who are least able to bear them. There are two alternatives to this bill. One is the reduction in the rate of our national growth and development. The other is to neglect the continued increase in unemployment being forced on millions of our people. This Nation cannot afford either of these alternatives.

This bill should be neither controversial nor political and has originated in the House, although the Senate has already passed a similar bill. The Senate rightly took a nonpartisan position on this necessary legislation. Hearings started a year ago by the Holland subcommittee of the Education and Labor Committee revealed many shocking facts about conditions resulting from automation and rapid technological change. While the national population and the available workforce have continued to grow at an unprecedented rate, job opportunities have not.

From 1950 through 1960 the number of workers in factory production in the United States fell 10 percent, while production rose 43 percent, and population increased 19 percent.

The total number of factory production and maintenance jobs has declined by 1½ million in the last 7 years.

Employment of production workers in the electrical industry fell 10 percent while output was rising 21 percent.

Well over half a million railroad jobs have disappeared since the war, while productivity rose 65 percent.

Output per man hour in our coal mines has doubled in this same period but there are now 300,000 fewer jobs in the industry.

Employment in the manufacture of electrical appliances has fallen 50 percent since 1953 although total output has risen.

Production and related jobs in the automobile industry have been declin-

ing almost steadily for several years, falling from 767,100 in 1953 to 612,600 in 1960.

The same trend exists in steel and other related industries. There has been a decline in employment in the manufacture of automation equipment itself. Employment in instrument production has fallen 15 percent in 7 years.

The Bureau of Labor Statistics reports that 25 percent of the jobs affected by the installation of electronic data processing systems have been permanently abolished. About 10,000 such systems were installed in 1961, each affecting an average of 140 jobs, or a total of 1,400,000 jobs. The result has been that a fourth of these, or about 350,000 clerical jobs alone, have been abolished by automation in the last year.

The rate of installation of office automation equipment will probably accelerate. If the 68 companies that are now manufacturing computers in the United States should double their sales this year, 700,000 additional clerical jobs will be abolished.

Still more jobs are expected to be eliminated by other types of automation devices. For example, an automatic sales clerk can dispense up to 36 varieties of products, accept payments up to \$5 and give the customer his exact change. According to testimony before the Holland subcommittee, an automatic law clerk can perform 7 man-hours of legal research in a few minutes; within 10 minutes of receiving a question involving tax exemption, the machine analyzed 400 laws from 50 States and the District of Columbia, typed all the statutes and case citations, and had begun typing the full text of the material.

Some idea of the immediate problem ahead can be seen from the fact that, even if all we do is increase our productivity at the same rate as we have been doing since the end of World War II, a total of 1,800,000 persons will feel the impact of technological change just in the year ahead.

Today, 20 percent—one in every five—of our unskilled workers are unemployed—a rate which is two-thirds higher than semiskilled workers, 100 percent higher than that for skilled craftsmen.

The problem is especially critical for older people, women and minority groups whose rate of unemployment continues at roughly double the average unemployment rate.

At the same time that old jobs are being wiped out new ones are being created. Today's unemployed are faced with want ads calling for workers skilled in transistorized circuitry, inertial guidance, ferret reconnaissance, human factors science, gyro dynamics, microminiaturization, and data telemetry. These job titles were unknown a half dozen years ago.

The problem is made worse by our educational weaknesses. In the next 10 years 26 million new young workers will enter the job market—and if current trends prevail, 7½ million of them will be dropouts, without a high school diploma and very ill fitted for the job world ahead which will see major advances on the technological scene.

Although these, and many other problems, were brought out by the hearings,

the Holland subcommittee concentrated its efforts primarily on what should be done to correct the hardships already caused by automation. The recommendations for constructive action to meet this crisis are almost as undisputed as the facts. Leaders of management, labor, and government have all urged the same action.

On February 14, 1962, President Kennedy said he regarded as the major domestic challenge of the 1960's the job of maintaining full employment in spite of automation.

The result of the hearings is H.R. 8399 which is before us today. This bill passed the Holland subcommittee by a vote of 6 to 1 and the Committee on Education and Labor by a vote of 24 to 3. It permits the Secretary of Labor to enter into agreements with the States whereby the States would pay a weekly retraining allowance to carefully selected unemployed persons. Before being selected all persons would be thoroughly tested and counseled. Although priority would be given to the unemployed, other qualified persons could be permitted retraining so that it will not always be necessary to wait until automation renders a job obsolete before anything is done to retrain the workers displaced. In order to make it possible to anticipate labor displacement and job obsolescence, this bill provides for the Secretary of Labor to appraise the Nation's manpower requirements and resources through comprehensive and continuous research. It also requires studies of employer and union practices which affect severance pay plans, seniority, and the use of extended leave plans for education and training purposes in order to promote greater labor mobility both geographically and occupationally.

The Secretary of Labor is also required to determine the Nation's skill requirements, develop policies for the adequate occupational development and maximum utilization of the skills of the Nation's workers. This legislation will develop broad, diversified training programs, including on-the-job training.

The bill also directs the Secretary of Labor to make maximum use of all possible resources for skill development. Among others, he will use the resources of industry, labor, public and private education and training institutions, and Federal, State, and local governmental agencies.

Furthermore, the Secretary of Health, Education, and Welfare is authorized to enter into agreements with the States, to improve vocational training, and may pay up to 100 percent of the cost to the State of carrying out the agreements with respect to unemployed persons and up to 50 percent for others.

Adequate safeguards prevent abuses such as persons drawing a retraining allowance simultaneously with unemployment compensation.

Most of the cost of this bill should be offset by savings in unemployment compensation alone. Even if all the cost were not offset it would be better to pay a man to retrain for a new job than to

pay him to sit idly and wait for his old, obsolete job to open up again.

More important than the cost, however, is the need to give our people an honorable chance to find a place for themselves in our growing economy. It is generally agreed that a great injury will be inflicted on this generation, and on future generations, if nothing is done to halt the relentless growth of the mass of jobless, rootless, disillusioned and frustrated people displaced by technological changes. Workers should not be forced to match wits with machines, but should be given the opportunity to rise as high above the moron mentality of machinery as their talents permit.

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

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

Mr. MADDEN. Yes, I yield to the gentleman from Ohio.

Mr. BOW. When these people are retrained, where are we going to find jobs for them? What are you going to retrain them for? I think that is the important question.

Mr. MADDEN. I do not think retraining will provide jobs for all unemployed workers, but, there are a number of different vocations that have arisen in this scientific age which require skills.

Mr. BOW. If the gentleman will yield further, will the gentleman tell us where those jobs are?

Mr. MADDEN. Before the committee it was brought out that skilled workers are required in the field of gyrodynamicics. That is an electrical operation.

Also there is the field of micro-miniaturization, and data telemetry, and a dozen other modern jobs in the electrical and scientific fields. Skilled workers are in demand in the construction field and other segments of our economy.

Mr. BOW. If the gentleman will yield further, is it the gentleman's opinion that you can take a man from a coal mine, for instance, and retrain him to go into these highly specialized skills?

Mr. MADDEN. I say that a great number of them can be retrained, especially the younger workers in crafts, and so forth, that would provide a living for their families.

Mr. BOW. If the gentleman will yield further, the point I am making is this: If we can retrain and find positions for them, that is fine. But are we going to retrain them and still have unemployment and create even a worse condition than we have at the present time? I have not been able to learn in my study of the hearings and the other information that has come to me of any area in which we have a shortage of employment that would take up the number of unemployed which we have in the country today.

Mr. MADDEN. A week ago a manufacturer from the southern part of Chicago was in my office. He is engaged in the precision steel manufacture. He told me that the great trouble he has is obtaining skilled workers. He said that he has an overflow of laborers and un-

skilled workers, but he needs skilled workers.

Mr. BOW. If the gentleman will yield further, how many skilled jobs does he have at this time that he would like to fill?

Mr. MADDEN. I asked him that very question. In his operation I think he has around 500 or 600 people employed.

He said he could use from 40 to 50 skilled workers in his business today if he could find qualified skilled workers.

Mr. O'HARA of Michigan. Mr. Speaker, will the gentleman yield?

Mr. MADDEN. I yield to the gentleman.

Mr. O'HARA of Michigan. Mr. Speaker, I would like to call the gentleman's attention to the fact that in the last week the Department of Labor at the request of members of the committee contacted the State employment agencies of a number of States to ask them to furnish us with information with regard to any particular skills or occupations in which job openings were available and qualified persons were not available to fill those openings and where they possibly could to supply the number of openings in each category.

We have received replies from a number of States listing such occupational opportunities, and we shall, during the general debate go into this whole subject. I might mention that we have them listed alphabetically. Among some others we would have such things as airplane mechanics, aluminum sash and door makers, automatic transmission specialists, automobile body repairmen, automobile mechanics, boot and shoe workers, and others.

Mr. MADDEN. I thank the gentleman.

CALL OF THE HOUSE

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

The SPEAKER pro tempore (Mr. PRICE). Evidently a quorum is not present.

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

A call of the House was ordered.

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

[Roll No. 23]

Adair	Harvey, Mich.	Multer
Bennett, Mich.	Hays	Robison
Bolling	Hoffman, Mich.	Ryan, Mich.
Bolton	Johansen	Saund
Boykin	Judd	Scherer
Bromwell	Kelly	Shelley
Broyhill	Kirwan	Sheppard
Celler	Kitchin	Smith, Calif.
Chamberlain	Knox	Smith, Miss.
Cooley	Lipscomb	Spence
Davis, Tenn.	McDonough	Steed
Fallon	MacGregor	Thompson, La.
Fisher	Meador	Ullman
Gialmo	Morrow	Weaver
Gonzalez	Morgan	Whitten
Harris	Morrison	
Harsha	Moulder	

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

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

MANPOWER DEVELOPMENT AND TRAINING ACT OF 1961

The SPEAKER. The Chair recognizes the gentlewoman from New York [Mrs. ST. GEORGE].

Mrs. ST. GEORGE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this legislation, H.R. 8399, comes to us under an open rule with 3 hours of general debate.

At first glance the bill has great appeal. How can anyone be against a retraining program? You might as well be against mother and the flag. Nevertheless, we must not be carried away by our initial enthusiasm, but must think the problem through.

Now, I am well aware that this bill, H.R. 8399, is never going to see the light of day. This bill will not see the light of day because to all intents and purposes it is going to be written on the floor of this House this afternoon. Nevertheless, I am addressing myself to the bill as it is written and as it is before you.

First of all, the general public is being led to believe that we have at present practically no retraining programs, and the press has never made any attempt to dispel this fallacy. Because, of course, it is a complete fallacy.

Under questioning, witnesses agreed that at the present time there are five or six agencies of Government which have retraining programs that are costing \$535 million annually. This bill calls for an expenditure of \$263 million over a 2-year period.

These figures do not taken into account the many programs financed and run by business corporations and private agencies. The total number of retraining programs, as far as I can find out—and I have had great difficulty in getting the figures—Government and private, is roughly 56. But I would like to call your attention to the result of a survey made by one of our colleagues who is a member of the committee that has brought this bill to the floor. In his report that he has made he states that:

Within a few years there will be 300,000 such plans with assets totaling \$100 billion. Control over such a vast investment in the hands of the Labor Secretary or labor leaders constitutes an enormous threat to our freedom.

Well, this of course is true. But when you look at the discrepancy between these figures you realize that to tell the very truth no one knows how many retraining programs there are and no one knows what they cost today or what they are going to cost in the future. It may well be said that these many programs constitute a disorderly approach to the problem, that this new approach will bring order out of chaos and get the retraining programs that have grown and flourished over 40 years under the control of the Federal Government. Be under no such delusion. This new program will be just one more added to all the others already in existence. There is not the slightest intention of curtailing or changing any of the department programs or any of the private

ones, for that matter. This is just superimposing another Federal program to cost \$263 million over a 2-year period on the present Government programs costing \$535 million per annum.

Mr. LAIRD. Mr. Speaker, will the gentlewoman yield?

Mrs. ST. GEORGE. I yield to the gentleman from Wisconsin.

Mr. LAIRD. Mr. Speaker, I should like to state that in the Appropriations Subcommittee handling the Department of Health, Education, and Welfare, and also in the subcommittee handling the Department of Labor appropriations we went into this matter of training and retraining very thoroughly last year. We made additional funds available for the Bureau of Apprenticeship and Training. We made additional funds available for the Bureau of Vocational Rehabilitation. I should like to state that with all the words and speeches that have been given out by this administration, one of the first areas where they refused to follow out on the authority and appropriations made available by Congress was in this area of training. They refused to obligate the funds made available by the Congress to carry forward a new program of training in the Bureau of Apprenticeship and Training and an already existing program in the Department of Labor.

The area of vocational rehabilitation was one of the first places where funds were frozen by this administration, not expended in accordance with the appropriation measure passed by the Congress. It seems to me that if they really want to go forward with these programs they should have gone along with the Congress and used the funds that we made available for the fiscal year 1962.

I think it is important for the Members of the House to realize that this is one of the areas where they froze funds and where they would not go forward with existing programs in this area of training. The Bureau of Apprenticeship and Training and the vocational rehabilitation program were set back by the type of budget freezes that were ordered by the administration in September.

Mrs. ST. GEORGE. I thank the gentleman for his contribution. I think that bears out again the fact that there are many programs and also a great deal of money that has already been adjudicated to these programs. If it is not being used that is one more argument in this matter.

Again we find that there is no coordination here, that the bill is extremely loosely drawn and is about to be rewritten on the floor. There are to be at least 15 amendments offered. I understand they will be offered now in one package which means that the various Members will understand probably a little less about them, although I believe they are an improvement to the bill. This may or may not improve the legislation, but it seems as though the committee had hardly done their homework very satisfactorily. Besides all this, there does not appear to be any general demand or necessity for this added pro-

gram. In the testimony this sentence occurred from one of the labor witnesses:

I think we can all assume there are still areas where abuses are occurring.

That is on page 19 of the hearings on compensation and welfare legislation on May 24, 1961.

Well, there is no Government program where this assumption cannot be made and certainly the legislation before us today does not in any way even attempt to correct abuses because it merely adds another retraining program to the many that are already in existence.

Finally, Mr. Speaker, the bill we are discussing is so unlikely to be the bill—and in fact, will not be the bill—that will pass, that we are indeed "looking through a glass darkly," and we may well get quite a surprise when we see the final product of the will of the House face to face.

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

The SPEAKER. The gentlewoman from New York has consumed 9 minutes.

Mr. MADDEN. Mr. Speaker, I yield 10 minutes to the gentleman from Massachusetts [Mr. O'NEILL].

Mr. O'NEILL. Mr. Speaker, I most wholeheartedly agree with the remarks of the gentleman from Indiana [Mr. MADDEN] in congratulating the gentleman from Pennsylvania [Mr. HOLLAND] for the wonderful work he has done on this legislation. Also I am in agreement with the gentleman from Indiana that this is one of the truly most important pieces of legislation facing this Congress this year.

Mr. Speaker, an editorial recently appeared in the Boston Globe and I think it is worth reading to the Members of the Congress. It is headed "A New Industrial Revolution."

The editorial is as follows:

A NEW INDUSTRIAL REVOLUTION

If there is a constant running through human affairs, and many believe there is, the man who designed the first wheel more than likely crushed his foot beneath it before he learned to ride. So it was with the first industrial revolution. So now with automation. This time, at least, man is conscious that he is grappling with a Frankenstein monster which he must bend to his will before it smashes his maker.

One of the problems is the growing hard-core unemployment among unskilled and semiskilled workers. Secretary of Labor Arthur J. Goldberg in his appearance before Congress emphasized that although overall unemployment is at its lowest rate in 16 months—5.8 percent—the number of persons unemployed for 4 months or more has not dropped.

This phenomenon—a dangerous one—is a result of automation.

The word "automation" was coined not two decades ago by a student at the Harvard Graduate School of Business Administration; the word "cybernetics" 10 years ago by a professor of Massachusetts Institute of Technology. The first has been defined as the art of controlling machines by other machines. The second has been defined by its inventor, Norbert Wiener, as the science of communications and control in men and machines.

The first pertains to technology; the second to pure science. Both have become of immense importance to the economies of

Europe and the United States and in the lives of their working peoples. In World War II both were vital to the survival of freedom. Now they threaten, by prodigious growth in their applications to production and business, to shackle the economy and smite the workers.

Properly managed, says Congressman ELMER J. HOLLAND, Democrat, of Pennsylvania, chairman of the Subcommittee on Unemployment and the Impact of Automation, they can open unbelievable vistas for the peoples of the world.

Recently a new warning was sounded, emphasizing the importance of the next 20 years in the struggle between men and machines. Donald N. Michael, a director of the Peace Research Institute in Washington, is author of "Cybernation: The Silent Conquest," a study published by the Fund for the Republic, source of many brilliant studies on domestic problems in the United States.

He warns that the initial stages of the struggle are upon us. The chief social problem resulting from automation is the displacement of the unskilled worker and his growing restlessness. In the long run, he holds, automation will not cause unemployment but will upgrade unskilled workers to skilled jobs, and provide better living.

The upgrading of workers, however, is falling fast behind the layoffs of workers in our changing technology. More and more men are finding themselves out of work and more of them are being classified as long-term unemployed. The special committee on unemployment has filed a bill aimed at offsetting the mounting costs of growing unemployment among the unskilled.

The bill provides for a Federal program for the training of long-term unemployed who presently are not permitted to take retraining courses while receiving unemployment compensation. Under its terms the Federal Government would continue the State payments at the end of their customary expiration, at the same time providing vocational training not to exceed 52 weeks. The skills taught would be aimed at the increasing skilled-job opportunities. The bill offers a wise approach to the cure of an economic illness in a nation otherwise prosperous.

Let us look at the history of the economy of this Nation since the turn of the century. At the present time we are going through an industrial and an educational revolution. Gone are the business techniques of the turn of the century; gone are the business techniques of post-World War I; gone are the business techniques of pre-World War II and post-World War II.

There was a time at the turn of the century when an educated man was considered a hindrance in business; he was considered part of the overhead. Back in the early days of this century they did not want educated people in business; an educated person, as I said, was overhead. It was only the man who worked with his hands who produced wealth for the industry of this Nation.

What has happened in the past 30 years in this Nation since 1932? Mind you, Mr. Speaker, one out of eight attended high school in this country—that is only 1930, 32 years ago. What is the figure today? Eighty percent out of one hundred percent attend high school, and by 1975 ninety-five percent of that youth bracket will be attending high school.

What happened in the field of higher education, in the field of the college and

the university? In the year 1930, 4 percent of that age group had gone to college or university. That is the number in 1932. Thirty-two years ago, as I say, only 4 percent of that age group in the Nation were attending college. What is the figure today? The figure today is 35 percent of the youth in that age group in America who are attending college, and by 1975, 50 percent of that age group will be attending college.

What does that mean? It means that there is an educational revolution going on. What does it mean? Automation has stepped in. No matter how we consider it, only 3 percent will rise to the top.

What is going to happen to the youth of America who are graduates of high schools? What will happen to graduates of college in these tremendous numbers we have never had before? The fact is they are going into new fields. Here in the Boston paper over the weekend are 18 pages of advertising looking for men, not unskilled men, not semiskilled men, but skilled men. NASA had a half-page ad in all the Boston papers asking for people to go to Houston, asking for people to go to Denver, asking for people to go to Florida, asking for people from our Greater Boston area to go to other sections of the country. We ourselves ran 18 pages of ads in the Boston papers looking for skilled employees.

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

Mr. O'NEILL. I yield.

Mr. GROSS. A part of them were probably cost-plus contractors, were they not?

Mr. O'NEILL. I have no idea of that.

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

Mr. O'NEILL. I yield.

Mr. LAIRD. With all that need for skilled and trained people why should the Department of Labor freeze the funds in the Bureau of Apprenticeship of the Department for the year 1962? It seems to me this is the very time when we should go forward with these different training programs, but they froze the funds and did not go forward with this program in accordance with the expressed desire of Congress.

Does it not seem to be a bad time to be cutting back on those already existing training programs?

Mr. O'NEILL. I have not any knowledge of that. If the gentleman says it is so, I believe it is so. I agree with him, I think it is a bad time to cut back, but I realize the problem facing the Nation. We are in a period of transition, a period of overlap, because of automation. People are being laid off. Those people who are being laid off have not the qualifications to go into higher jobs. Industry itself cannot do it. It has not the time, it has not the money, it has not the will to educate these people.

The other day I went up to the New England Telephone & Telegraph Co. offices at about 6 o'clock to attend a meeting that was going on in reference to public relations. I was amazed to find out there were five different classes going on and being run by the New England Telephone Co.—advanced account-

ing, advanced office procedure, public relations, and two others.

It was interesting to note that each of this group of employees of the telephone company who were attending these classes, each one of them, was doing so voluntarily. In some instances they had so many volunteers that the workers that are employed could not get into one of these classes for a year.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

Mr. MADDEN. Mr. Speaker, I yield the gentleman 3 additional minutes.

Mr. O'NEILL. Mr. Speaker, business is working in this field. There is a need for this overlap. There is an obligation upon a democracy to take care of this type of people. If we do not educate this type of people what are we going to do about it? We are going to have them put on welfare, we are going to put them on various types of relief programs. This is an overlap, this is a transition period, this is an obligation upon our country to take care of the people who are in this classification.

I think this is excellent legislation, and it is necessary for this Congress to go along with it. I want again to congratulate the gentleman from Pennsylvania [Mr. HOLLAND] for the tremendous work he has been doing in this field.

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

Mr. O'NEILL. I yield to the gentleman from Georgia.

Mr. LANDRUM. May I say that no one can disagree with the aims and desires we hope to get by legislation of this type; and certainly no one can disagree with the argument that the gentleman from Massachusetts has so eloquently stated, except for this reason: I do not understand, and I have not been able to understand during my study of this bill in the Committee on Education and Labor why we are seeking to lodge all of this new power in the Secretary of Labor when it is now available to the Secretary of Health, Education, and Welfare to administer. These vocational programs are under HEW now.

Can the gentleman tell me, and I have not had anyone in the Labor Committee or elsewhere to answer my question, why it is necessary to put this over into the Department of Labor and not leave it where it has been?

Mr. O'NEILL. The only answer I can give the gentleman is that apparently when the bill was originally filed by the gentleman from Pennsylvania [Mr. HOLLAND] it was assigned to that committee where a prodigious and prolonged study was made and a report issued.

Mr. LANDRUM. Is this vocational training program under the Department of Education?

Mr. O'NEILL. I know the need for the legislation. Where it belongs, according to the report of the committee, is in the Department of Labor, and I am willing to go along. I realize the need for the legislation.

Mr. LANDRUM. Does the gentleman make the argument that the U.S. Department of Education has not succeeded in its administration of the vocational program?

Mr. O'NEILL. No. I think they have only brushed the surface.

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

Mr. O'NEILL. I yield to the gentleman from Kentucky.

Mr. PERKINS. I want to say to the gentleman from Georgia there is a lot more involved here. In reference to placement of these people who are being trained or retrained, it usually lies in the Department of Labor. We usually look to the Department of Labor for that.

Mr. LANDRUM. The Labor Department has that authority and is carrying out that responsibility today. It needs no further legislation.

Mrs. ST. GEORGE. Mr. Speaker, I yield 5 minutes to the gentleman from Kansas [Mr. AVERY].

Mr. AVERY. Mr. Speaker, my colleague on the Committee on Rules, the gentleman from Massachusetts [Mr. O'NEILL], reminded the House or made some reference to 32 years ago. I am happy that he did, because anybody that can remember 32 years ago or even not so long can remember Collier's magazine very well. One of the most outstanding features in Collier's magazine was a cartoon that was generally described as a Rube Goldberg cartoon. I think everybody remembers a little bit about the general nature of the cartoon. Everything was done the unusual way, the hard way, the most indirect way that you possibly could. If you wanted to put the cat out of the door, for example, you would not just open the door and put the cat out, but you would have to use all sorts of pulleys and ropes and wheels, and then something would bump the cat out of the door. Now, that same flare for the fantastic on the part of Rube Goldberg must have motivated Arthur Goldberg, in my opinion, in the drafting of this bill.

And you ask, What do I mean by that? And, I will tell you just exactly what I mean. This bill was before the Committee on Rules last August. When the proponents appeared before the Committee on Rules we asked them to tell the Committee on Rules in what skills, in what occupations, or in what professions there existed a shortage of skilled and qualified workers. They said, "Now, this bill has been drafted rather hurriedly and therefore we are not yet able to identify those areas in which there are not a sufficient number of skilled or trained workers to satisfy the market demand." The bill was left to rest with the Committee on Rules from August until February. That would be approximately 6 months. The proponents just last week came back before the Committee on Rules, and we asked them that same question: In what skills is there not a sufficient number of trained employees to satisfy the job opportunity? And they said, "We are sorry. The Secretary of Labor is still studying this matter and as yet he has not been able to determine and identify these areas." Well, I took the position that until the Secretary of Labor could positively identify these areas and advise the Committee on Rules, and the House in turn, the number of occupations and the amount of skilled labor that was not

being satisfied we were not justified in spending a quarter of a billion dollars for this program.

Then, to allay some of the fears I might have had, as I went into the committee the next morning—and I want my friends over on my right side to pay particular attention to this—as I went into the committee the next morning a representative of the Secretary of Labor stopped me and said, "Well, Mr. Congressman, we do have a list of those skills for which there are not a sufficient number of trained employees. We have them all prepared for you this morning, and these are the skills." It is titled "Suggested Occupations for Training Under the Manpower Development and Training Act Bill." And, frankly, I was quite impressed. The first thing I did was to add them up. There are 300 and some occupations on these three pages of mimeographed copy. Then I started looking on these pages to see some of the skills for which there were not a sufficient number of trained employees.

Now I would like to call this to the attention of the gentleman from Pennsylvania [Mr. HOLLAND]. Since I have known him he has worked diligently to improve the lot of the glassblowers and the glass industry.

I would like to tell the gentleman that on this list there are glassblowers. We are going to retrain more glassblowers under this bill, if the bill is passed and the requested authority given to the Secretary of Labor.

Mr. Speaker, if we have some Members on the floor of the House now from Kentucky or from West Virginia or from some other coal-mining State, I would like to advise them that coal miners are included in this list also. Under this program, if the bill is passed without some revision, we are going to train more coal miners.

Mr. Speaker, other interesting occupations here are dishwashers, cleaning occupations, policemen, kitchen workers, laundry workers, cheesemakers, and so forth. I understand that we have quite a surplus of cheese now, but we are going to train more cheesemakers. What is the point of all this?

I am saying that the point I hope to establish is that with the passage of this bill in the manner in which it is written, it is entirely premature. I understand the author of the bill is prepared to accept quite a number of amendments from the minority, and I think maybe as many as 15. So, actually, one cannot tell by reading this bill what we are going to be voting on because it will probably contain entirely different stipulations than those that are on the printed pages that you have before you this afternoon.

Mr. Speaker, the second point I want to make is this: Where are the facilities in which we are going to train these people? Where are the teachers? The bill is silent in both of those areas.

We have been told, and in fact next week we may have before this House a proposal to send to conference a bill to increase classroom facilities to institutions of higher learning. Then there is the Federal aid to education bill and the National Defense Education Act to sup-

ply more alleged needed classrooms. Then, I ask, where are we going to train the people for which this bill is intended? The bill is silent on that. Where will the skilled instructors and other talent come from to retrain these people when we are reminded every day of a critical teacher shortage?

Mr. Speaker, I see the gentleman from Michigan on his feet. Would he like to answer those questions? I yield to the gentleman for the purpose of answering those questions.

Mr. O'HARA of Michigan. Mr. Speaker, I would like to inform the gentleman from Kansas that I have in my hand letters of recent date from the administrators of the bureaus of unemployment compensation of the States of Ohio, New Jersey, Indiana, Massachusetts, Pennsylvania, North Carolina, Illinois, and New York. I am afraid we do not as yet have Kansas.

Mr. AVERY. What do the letters say? Mr. O'HARA of Michigan. This gives concrete information, and is not something dreamed up by the Secretary of Labor. We have here the administrators of the State employment agencies telling us the numbers of jobs and occupations in which these requests for workers have come which they cannot fill because they do not have skilled persons in those fields seeking employment. I think this is the best evidence, and we will at the appropriate time insert this matter in the RECORD.

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

Mr. AVERY. I will yield after I make this comment:

If that information is so abundant, I wonder why the proponents of this bill could not present it to the Rules Committee and to the House a list of occupations needing more employees, rather than giving us a nondescript, and what I would call an irresponsible, list of classified jobs and skills.

Mr. O'HARA of Michigan. If the gentleman will yield, as the gentleman pointed out, this committee did not give him any such list. I do not know where that list came from.

Mr. AVERY. It came from the Secretary of Labor. A personal representative of the Secretary of Labor gave me this. He handed it to me.

Mr. O'HARA of Michigan. I think you had better take it up with him.

Mr. AVERY. He is going to administer the program, not the committee.

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

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

Mr. GROSS. Let the RECORD show that the gentleman never got an answer to his question: Where and who is going to train these people? I am waiting to hear somebody answer.

Mr. O'HARA of Michigan. Mr. Speaker, will the gentleman yield further?

Mr. AVERY. If we can stretch this minute a little longer, I will.

Mr. O'HARA of Michigan. As the gentleman from Iowa knows, we have been appropriating money for some years for vocational education facilities. It is the intent of the bill, and a study of

the bill will reveal this, that we plan to use existing State vocational education agencies for our training programs.

Mr. AVERY. Why do we need a new program if we already have one that is working?

Mrs. ST. GEORGE. Mr. Speaker, I yield 10 minutes to the gentleman from California [Mr. Hiestand].

Mr. Hiestand. Mr. Speaker, as was said by the gentleman from Georgia, few of us would have occasion to quarrel with the objectives of the bill. We would like to see the problem of unemployment attacked. We would like to see a lot of retraining, and so forth. The question before us is, will this bill do it? I suggest, Mr. Speaker, that the bill that has been introduced is entirely different from the bill that will be placed before us when we go into committee. There have been some 28 amendments offered by a member on the minority side of the committee and we have assurances that they are all going to be accepted.

But I suggest that in spite of accepting all of them, the bill is still a bad bill. It is a bad bill and should be defeated for four reasons.

First, it has the three basic ingredients of increased socialism, namely, increased Federal Government, largely increased power of the Executive, and tremendous new spending.

Second, the bill does not deal with the causes of unemployment. It deals only with the symptoms of unemployment. I suggest that that is a bad way to legislate, to doctor the symptoms of a disease and not get at the causes of the disease.

Third, the need for this particular gigantic boondoggle has not been shown. We have been discussing a number of different training programs and I assure you there are thousands of them, both public and private, and a big job is already being done.

Fourth, this plan is impractical; it simply will not work. It creates a great big boondoggle and nothing else.

Mr. Speaker, with regard to the first of the points, this would build a great superstructure, a vast new bureau costing, under the Senate bill, some \$655 million, and in the House bill some \$230 million. I suggest that we cannot cure unemployment or retrain masses of people who may not be equipped, simply by spending a lot of money, by hiring a lot of extra Federal bureaucrats. That will not go very far in curing the unemployment problem.

With regard to this matter of the causes of unemployment, no comprehensive survey has yet been made that I can find on the causes of unemployment. Some of the subcommittees of our Committee on Education and Labor are making studies of certain phases of it; automation, for instance, et cetera. But all the way through there is no comprehensive survey and we cannot tackle this job and legislate to correct it unless we get the causes of unemployment. And may I suggest such things as the types of workers that are unemployed; their length of service; the quantities by areas. We have a little of that, but not much.

Automation impact has been mentioned. Competition with imports. Labor troubles. The flight of industries because of the inequities of tax programs in many communities, or an unsatisfactory atmosphere for industry.

Scientific progress has caused much unemployment. Changing markets and especially changing demands.

All these things have to be explored if you are going intelligently to legislate on the correction of unemployment, which is the main objective of this bill.

May I suggest that there are other vast programs, that the need for this particular kind of program has not been shown because it cannot be shown. We have these programs starting away back with the George-Dean Act, the Smith-Hughes Vocational Training Act. They have 3,800,000 people under vocational training programs.

There is the Veterans' Rehabilitation and Vocational Training Act which has over 600,000.

There is the Apprenticeship and Training Act of the Department of Labor to which reference has been made, training 161,000.

Then last year we passed a depressed areas bill, or an Area Redevelopment Act and they plan tremendous training facilities.

There is the Youth Employment Opportunities Act of 1961 which has 21,800.

May I suggest that this constitutes, together with the many other training programs of each of the departments, a hodgepodge of training. There is no coordination. This bill would not coordinate them. It would superimpose a tremendous agency on top of all the others, not to mention the State retraining programs of which there are several good ones, and community programs, as well as the thousands of companies and employers who are doing their own apprenticeship and training programs.

I suggest that that phase of the matter is the most practical because there people are carefully screened and are chosen who are capable of taking this training and they are on the job and they can earn their way as they are taking the training. That is the best way to tackle this job. The Federal Government is not equipped and has no possible way of making a success of this thing. I claim it does not attack the hard core of unemployment, coal miners, railroad workers, and many thousands of other people who have been eliminated because they are not equipped to take the type of training that is called for by the list of vacancies that has been referred to by previous speakers.

I believe that this plan is completely impractical and is unworkable. I have had some personal experience in this regard for a number of years before coming to Congress I had to do with personnel matters and especially supervising training. I suggest it requires first of all careful selection of people, suitability for jobs, and then job opportunities. All of these things are required and I do not see how any mass training job can be applied and make this workable. There is bound to be much waste, waste of the

taxpayers' money. Employers are much better qualified on their own than the Federal Government to tackle it.

Several efforts have been made in the communities. In Bridgeport, Conn., for instance—and this illustrates the point just made—they set up a committee and reviewed some 3,500 unemployed. They eliminated a number of them but made out cards for those and they added to their list to be considered some 879, a total of about 4,379 people. About 1,550 people were selected and after they screened them another 560 were unsuitable; 401 more declined because they were not interested. That cut the eligibles down to 589. Of that 589, 201 did not show up for the program at all. Another 248 failed the test and that still left 140. Of that 140 there were 43 who failed to start or dropped out. That left 97 out of the 4,400. Three of those were dropped and 10 quit and 5 got other jobs which left 79. Of those who completed the course satisfactorily there were only 57, and eventually 53 of those were hired by some 33 different companies. That is a good achievement for the 53 out of 4,400. But this is how it works, Mr. Chairman; it just does not work.

We have another instance in Detroit where the Public Works Commission made some studies and selected some 761 unemployed for retraining. They were unable to test 216 of these because they were illiterate. Of the rest of them 299 failed the test and that left only 146 eligible to take the course.

At Oklahoma City, the Armour Co. laid off 400 people. They knew in advance they were going to have to do that, so they provided an offer of vocational training and retraining. Of that 400 only 170 volunteered to take the test. Of that 170, 110 were unequipped and failed, leaving 60 qualified, 58 were enrolled in classes and only 7 were employed.

General Electric at Schenectady knew they were going to have to close some parts of their plant because of the change in types of scientific work and progress. They knew they were going to have to lay off about 17,000 people. So they laid out a plan in advance providing for a termination allowance and for retraining, for the time they were on the job and for quite a few months after they were on the job. Of the 17,000 practically all decided to take the severance pay rather than go into the retraining program.

The director of training in the General Electric branch, Mr. Earl S. Willis said:

Any attempt to impose retraining on a national basis would be so complex as to be impractical.

Mr. Speaker, the bill as a whole is impractical. We have shown that the measure cannot possibly work. It has been shown also that this amount of money would be very difficult to spend and I suggest putting up \$100 million the first year; a total of \$230 million would be in large degree wasted.

It cannot possibly be well spent, as has been shown. We are invading the territory of the States and the communi-

ties. That is my No. 1 objection. We are building big government much bigger, another gigantic boondoggle. We are building the executive department bigger; we are spending a tremendous amount of money;

Second, we are doctoring the symptoms of unemployment rather than the causes of the disease;

Third, the need has not been shown; and

Fourth, the plan itself is impractical; it simply will not work. It is another big boondoggle and should be defeated.

Mr. Speaker, I yield back the balance of my time.

Mr. MADDEN. Mr. Speaker, I have no further requests for time.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. POWELL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 8399) relating to the occupational training, development, and use of the manpower resources of the Nation, and for other purposes.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 8399, with Mr. MAHON in the chair.

The Clerk read the title of the bill.

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

The CHAIRMAN. Under the rule the gentleman from New York [Mr. POWELL] will be recognized for 1½ hours, and the gentleman from Pennsylvania [Mr. KEARNS] for 1½ hours.

The Chair recognizes the gentleman from New York.

Mr. POWELL. Mr. Chairman, I yield myself such time as I may need.

Mr. Chairman, in his January 11 state of the Union message, and again in his Economic Report, the President stressed that the task of reducing unemployment and achieving full use of our manpower resources remains a serious challenge which this country must meet in order to fulfill its responsibilities to its citizens and its responsibilities as a leader of the free world.

In setting H.R. 8399 No. 1 on his priority list for domestic legislation, the President pointed out that this country cannot "countenance the suffering, frustration, and injustice of unemployment, or let the vast potential of the world's leading economy run to waste in idle manpower, silent machinery, and empty plants."

There is overwhelming support for the immediate enactment of this legislation. The need for training the hard-core unemployed workers has become widely recognized and publicized. Witnesses before our committee from all segments of the economy—business, labor, education, and the public—testified almost unanimously as to the urgent need for the training program which this bill establishes. Every recent study—the one done by the Committee for Economic

Development, and the Michael report for the Center for the Study of Democratic Institutions—has indicated the need for training and retraining as an essential remedy.

The policy of retraining and retooling our manpower resources has had bipartisan support in this Congress. The bill received the support of the ranking minority members on our committee.

The other body passed a similar measure by a 2 to 1 vote in the last session, after it had been reported out unanimously by their Committee on Labor and Public Welfare.

The Republican study committee has produced a report endorsing the need for this type of legislation.

There is substantial agreement among all who have studied the problem that a major portion of our unemployment exists because most of our idle workers do not possess the skills necessary to equip them for jobs that are available in our highly industrialized economy. The more rapidly our economy advances, the more rapidly do skills become obsolete—and the need for training and retraining and for a continuing appraisal of skill needs and resources, such as this bill provides, become more pressing.

Despite recent indications of some recovery from the recession and a decrease in the unemployment rate, there still remains large numbers of workers who have exhausted, even extended, unemployment insurance benefits—those whose skills have become obsolete; the unskilled, especially those without high school education; older workers; minority groups; and the youth.

The American people are well aware of the urgency of this legislation. A recent public opinion poll disclosed that of all the proposals specified by the President in his second state of the Union message, the proposal to train the unemployed was cited by 67 percent of those replying as one for which they were willing to make sacrifices. This was more than twice the degree of support given to any other item listed.

It is clear that present Federal, State, local and private efforts fall far short of the total need, and that without an intensive nationwide program to provide opportunities for retraining, all too many men and women will never be able to obtain the skills which will enable them to be self-supporting and make their maximum contribution to the Nation's productivity. This bill establishes such a program.

The fact that we are in the midst of the cold war only increases the need for the programs this bill will provide. The present struggle requires the maximum use of all our manpower, with no waste of the skills and ability to produce that are now available in the ranks of our long-term unemployed, and which can be fully exploited and utilized when these unemployed are trained for the skills needed today and tomorrow.

Most of us are faced in our districts with visible evidence of the waste of human resources caused by industrial relocation, technological advancement, and the increased application of automation.

The good men and women who have been displaced and cast aside—victims of technological progress—should be given every opportunity to once again become productive members of society.

Mr. Chairman, I cannot close my remarks without paying tribute to the author of this bill, the gentleman from Pennsylvania [Mr. HOLLAND]. I can say that no bill in this Congress was proposed prior to this one, because on the morning after the elections in November, the gentleman from Pennsylvania called me and said:

I would like a green light immediately to go ahead and study and bring forth legislation in this area.

So this legislation began the day after the elections. The homework has been good homework, despite the charge made by one of the Members of this body. It was bipartisan homework. We went out to get the best chief counsel we could get in this area. We hired a young man, Dr. Walter Buckingham, who had written a book on automation, dean of one of the graduate schools in the Georgia Institute of Technology. There has been considerable work done by the Republican group, and I want especially to pay tribute to the gentleman from New York [Mr. GOODELL] for his great assistance in connection with this program.

We have been told there may be in the course of the development of this discussion a new bill introduced on this floor. It will not be a new bill. It will be a bill that will carry many new ideas. What is wrong with that? If there is not a working of the will of this body, why do we ever have a discussion over any legislation?

If the gentlewoman on the Committee on Rules is opposed to such type of action, then why not vote out a closed rule instead of an open rule? We have an open rule so that we can produce better legislation on the floor of the House.

This committee that I have been privileged to be chairman of for just a matter of months is one of the hardest working committees in this Congress, and I resent the indictment that this committee was not a hard-working committee. On both sides of the aisle, Republicans and Democrats, in all of the subcommittees, have devoted their full time to work in the fields of education and labor. As the discussion goes along, with capable Members on both sides presenting their views, I am sure that the cloud of ignorance and lack of knowledge concerning this matter will be dispelled and that we will pass this bill by the same type of margin that it was passed by in the Senate.

Mr. KEARNS. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, in all the years I have been in Congress I have never heard so many great eulogies before a bill has been debated. I think it is a wonderful idea to pay tribute, but I would rather wait and sum up the proceedings at the end of the debate and find out where the merits lie.

Mr. Chairman, I agree with my chairman that the subcommittee has been a

hard-working subcommittee. We know that throughout this country of ours we have an unemployment problem. We know we have to train and retrain and rehabilitate people in the jobs that are necessary in different places and parts of our country.

Now, this bill throws quite a bit of light upon this subject. And I stand in support of it. I am confident that a majority of the Members of this House will agree that this type of legislation is needed. However, it must be written in such a manner that the ultimate goals of the legislation will be accomplished. I believe that with the Goodell amendments we will have the bill that we want. It comes as a result of what the hearings unveiled. It comes as a result of good, sound reasoning, and it comes as a result of determination to do something concrete about this important matter that faces this Nation.

Mr. Chairman, I feel that when the provisions of the substitute are unveiled, each and every Member can deal honestly with his own conscience and vote as he should.

Today this country is faced with a strange dilemma. On the one hand, unemployment continues to be our No. 1 domestic problem. Much of this unemployment is caused by automation, foreign competition, plant relocation and normal shifts in our economic production demands. However, at the same time millions are unemployed, and countless jobs go unfilled because men do not have the right kind of skills or those with the skills do not know that the job exists at some other location. It is in this area that the proposed legislation is intended to do its most effective work.

This legislation will not create jobs nor will it prevent workers from losing their present job when this is caused by the factors that have been listed above. However, it is an affirmative step in the direction of providing a means whereby workers who are displaced, or who are about to be displaced, can upgrade their skills or acquire the necessary training to switch to a new field of employment. There is nothing more tragic than a situation where men sit around in idleness waiting for their old job to open up again when that old job has been forever eliminated. This legislation, and the program of training which it will initiate, can bring new hope and usefulness to this unfortunate group.

At the outset, title I of this bill will be the most important. Here the Secretary of Labor is authorized and instructed to survey the unemployment and employment situation as it exists today and as it will be developing in the future. With these statistics he should be able to determine which skills will become obsolete and which skills will become in short supply. Even more important, he should be able to predict what new skills will be needed as we enter into the space age which has now been opened up by Colonel Glenn's epoch-making orbital flight.

Next, the skills of our present work force will be identified and made known to employers who are seeking such skills.

In turn, existing job opportunities will be pointed out to those who are seeking work and who are ready to take the training which is necessary to qualify them for such jobs.

Under title II, the Secretary of Labor will have the authority to test and select individuals for training. This is the heart of the bill—its most important part. Wise and careful selection can insure the success of the program. On the other hand, careless selection motivated by political or other extraneous considerations can spell failure and even worse the discrediting of the whole idea of retraining. It is here that the Goodell substitute contains its most important provisions. Under the provisions of the substitute, the Secretary of Labor is given very specific guidelines and criteria which he must follow when making his selection. For example, priority shall be given to unemployed individuals, and before a person is selected there must be a reasonable expectation of employment in the occupation for which he is trained or the Secretary has received assurance from the individual that he is willing to accept employment outside his area of residence. Also, there will be no referrals for training which takes less than 2 weeks unless there is an immediate job opportunity. Finally, if the trainee does not attend or progress satisfactorily he shall be dropped from the program.

We want to make it clear that this is not a gimmick to get people off the street—a meaningless make-work project. This is and must be a meaningful training program with a job waiting for the trainee once he successfully completes the course of training.

The training allowance provision contained in this section is also very important and again the Goodell substitute provides a number of essential safeguards. Training allowances will be limited to unemployed heads of families who have had at least 3 years' employment experience. It is not intended that this be in the form of a gratuity or spending money for professional trainees. Rather, it is intended to provide the means whereby a man can feed his family while he is being trained for a job which he would not otherwise be able to obtain. However, no training allowance can be paid to an individual who is taking a training course of less than 6 days' duration. The incentive for a quickie course must be an immediate job opportunity.

Finally, a training allowance cannot be paid to an individual for a year after he has received a training allowance under this act or any other Federal act. This, of course, is to discourage the professional trainee—the man who might be inclined or encouraged to go from one training program to another. This again emphasizes the point that this program is intended to train individuals for a specific job.

Title III establishes an on-the-job training program which will be administered by the Secretary of Labor. Training allowances may be given to supplement the pay which the trainee receives from his employer. In addition,

classes provided by the Secretary of HEW may be utilized in the training. Again, the emphasis is on training for existing or soon to be existing jobs. An employer who is setting up a new plant or a new department in an old plant will be able to avail himself of this assistance. The trainees will be selected from the unemployed who have been tested and identified as having the requisite basic skill and ability by the Secretary of Labor.

Title IV, vocational training is placed under the jurisdiction of the Secretary of HEW. This is certainly appropriate and necessary for educational effort should be directed by the Secretary of HEW rather than the Secretary of Labor.

It is also provided that the Secretary of HEW shall utilize the States and the State's vocational education agencies.

Very quickly I would also like to mention two or three additional aspects of this bill which are most important.

The substitute provides that there will be matching by the States after 18 months. This is most important. Matching has always been an integral part of vocational training. It is absolutely essential that this important principle be incorporated at the outset. To do otherwise would be to unnecessarily federalize a program which should be carried on with the support and cooperation of the States.

It is also provided that the Secretary of Labor and the Secretary of HEW will report back to Congress once each year for the next 2 years. These reports are critical. This is a new program—we must follow it closely. In addition, there is much to be corrected in the present vocational education field. The Secretary of HEW is presently carrying forward a comprehensive survey. We must have the benefit of this survey as soon as it is completed. It is unfortunate but true, that the Assistant Secretary of HEW characterized the present system of vocational education as a hodgepodge when he was questioned by our committee. Hopefully, this can be corrected when the report and recommendations are received.

Finally, the substitute provides that training and placement under this program shall not be denied because of an individual's membership or nonmembership in a union. What could be more fair? Union membership or lack of union membership should have absolutely nothing to do with an individual's selection. It is his need for training and ability to be trained for a particular job that is all important. Those who would object to this provision would be permitting the injection into this program of a completely irrelevant and extraneous matter. In fairness to all future trainees this should not be done.

I urge that the manpower training bill as amended by the Goodell substitute be adopted. It is an important and necessary step. Training and retraining of workers, although now very important, will become even more important in the near future. Federal participation should be under a bill of this type and not in a piecemeal and inefficient man-

ner. Although the administration appears to be headed in the direction of fragmentizing the Federal effort, we in this body and with this legislation have an opportunity to get it started in the right direction. If we do this, it will then be possible to insist that future programs follow the guidelines which we have established and be a part of this one overall training program.

Mr. POWELL. Mr. Chairman, I yield to the distinguished author of this bill, the gentleman from Pennsylvania [Mr. HOLLAND], 15 minutes.

Mr. HOLLAND. Mr. Chairman, we have before us today the Manpower Development and Training Act, H.R. 8399, legislation we have found to be necessary if we are to get our unemployed back to work, our underemployed on a full-time workweek, our national economy on a healthy, stable basis, and our relief load reduced.

I must admit that this sounds like extremely broad coverage for one piece of legislation. However, our unemployment problem is so complex and interwoven with other segments of our society we found, as a result of our public hearings of the Subcommittee on Unemployment and the Impact of Automation, this approach is the most practical as well as the most plausible.

Automation, our subcommittee found, is indeed the promise of the future, but it is also the problem of today.

Automation will create millions of jobs during the years ahead, but in so doing, it is now—and will continue—to eliminate millions of jobs held by those in our work forces.

We know we must have automation if we want our economy to grow and prosper, if we want to have an effective Defense Establishment, if we want to accelerate our space program, if we want to compete on the world market, and if we want to remain a leader in world affairs.

We also realized, however, at the conclusion of our hearings, that we could not sit back any longer and watch our unemployment increase.

We found that during the fifties, with each succeeding recession, more people were unemployed, and with each recovery period which followed, the rate of structural, hard-core, or long-term, or call it what you will, unemployment continued to grow.

In fact, the Department of Labor's latest report, for January of this year on the unemployment situation, shows that hard-core unemployment was holding at 1.25 million, about the same as 1 year ago.

We also found that the United States is the first nation in the world where output or production continued to rise, while employment of production workers continued to decrease.

It was almost unanimously accepted, by those who appeared and testified, and those who submitted statements before our subcommittee, that the present high level of unemployment is the most pressing domestic problem facing the American economy.

That was almost a year ago, and since then we have seen a considerable up-

swing in our national economy—our gross national product—but our unemployment rate has not responded equally, for it has decreased but little—by only 1 percent.

During the hearings it was revealed that if we did not act quickly our rate of unemployment in 1962 would be between 5 and 6 percent. Unfortunately, this estimate seems to be apparently accurate.

Testimony from the Department of Labor disclosed that we could expect 1.8 million jobs a year to be eliminated even if our technological advancement and our expansion of automation were no more rapid than at the present rate.

As I said before, we know we must have technological advancement, but we also know that these advancements are responsible for the problems with which we are faced—socially and economically.

It was disclosed at our hearings that the Government has the responsibility to create conditions conducive to economic expansion. However, it has additional responsibilities.

Mr. Ralph Cordiner, chairman of the board of General Electric, put it this way:

If, in spite of the best planning we can do, some people are temporarily unemployed because of technological change, both industry and Government have a recognized responsibility to help families through any such periods of transition.

Mr. Don G. Mitchell, vice chairman of the board of General Telephone & Electronic Corp., said:

It is the responsibility of the Government to anticipate and to identify those trends which will create chronic unemployment problems in the future, and it has the responsibility to participate in the solution of those problems once they occur.

Mr. Mitchell went on to say:

A number of possible solutions have been suggested, including a high-level Federal agency which would coordinate Federal activities and work closely with States and local governments.

There are some people who would insist that the Federal Government stay out of the picture. You and I know that is impossible, for there are certain aspects of the problem, certain critically distressed areas, that will require the kind of massive support that only the Federal Government can provide.

Mr. Thomas J. Watson, Jr., president of the IBM Corp., in his testimony said:

The problem before us all is not whether to block technology. The problem is how to block unemployment. Perhaps the thing that confounds us about unemployment is our insistence on calling it a problem. How can we permit able-bodied men or women who want to work to be a problem. America's unemployed, corerctly handled, can provide a partial solution to the nation's real problem, that of learning to survive and triumph over communism.

We must try to solve the unemployment problem—

And I am still quoting Mr. Watson—

by putting it in the setting of the Nation's problems as a whole. In this way we can accept the challenge of unemployment and convert it, through reemployment, into a source of increased national power.

Admittedly, it is a tremendous undertaking which would have vast effects

financial and otherwise on our country. However, learning to survive and triumph in the modern world is an even vaster problem which will only be solved by realism and action of the very boldest sort.

Mr. Watson concluded:

I believe we are at war. As soon as all of us realize it, we can begin to use all our tools to win it. This is no time to debate whether such a plan will mean more governmental control of business and science. Of course it will * * * but * * * the stakes are too great to let this worry stand in our way.

The President's Advisory Committee on Labor-Management Policy, in its recent report to the President on the unemployment situation, said:

While employment has expanded in some industries, the net affect of rising output per worker—of the growing labor force—and of other factors—has been an increase in the volume of unemployment during the past few years, even as total employment has reached new heights. Proper retraining facilities, and a system of financial support for workers, while retraining, have been lacking.

The President's Advisory Committee on Labor-Management is composed of Government officials, representatives of labor, and leading industrialists, including Elliott V. Bell, chairman of the executive committee of the McGraw-Hill Publishing Co., Joseph L. Block, chairman of the board of Inland Steel Co., Richard S. Reynolds, Jr., president of Reynolds Metals Co., and Thomas J. Watson, Jr., president of IBM, whom I quoted earlier. The committee recommended:

Support from both public and private organizations for retraining of workers who have been—and will be—displaced.

Where it is not possible for the employer to reabsorb displaced workers, appropriately safeguarded public support, in the form of subsistence payments, should be available to industrial and agricultural workers who qualify for and engage in retraining.

Thus, their findings and recommendations concur with those of our Subcommittee on Unemployment and the impact of Automation and the full Committee on Education and Labor.

The Manpower Development and Training Act, H.R. 8399, we are now considering, is designed to provide training for our unemployed, and, in some cases, our underemployed, who through no fault of their own have found that their skills are now obsolete. Why? Because of the expanding use of automation and other technological changes in our industries.

I would like to emphasize again a fact brought out by Mr. Watson, of IBM—this is a national problem. Every section of our Nation—if it has not already felt the impact of this development—can rest assured that eventually it will experience it.

I would also like to point out that this is a nonpartisan proposal, for when a machine, a computer, a data processor, or some other automatic device moves in, it replaces Democrat and Republican alike. It recognizes no party lines.

I am glad to tell you that this bill, H.R. 8399, was reported out of the Committee on Education and Labor by a vote

of 24 to 3, indicating that the majority of committee members also felt this was a nonpartisan issue.

The able gentleman from Missouri [Mr. CURTIS] testified on behalf of this bill before the Rules Committee, as did our colleague from New York, the ranking minority member of our subcommittee [Mr. GOODELL].

Because our unemployment problem is nationwide we feel it is the duty of Congress to make every effort to find a solution.

This bill, we know, will not completely solve that problem, but we feel it is certainly a step in the right direction. A step we must take without further delay.

Our States or cities, alone, cannot provide the solution, nor can private corporations acting alone. However, with combined effort by States, counties, cities, private enterprise, and the assistance of the Federal Government, we can start on the road back to full employment and a healthy national economy.

I know that some people will say "we cannot afford this additional expense."

Let me point out to you, we cannot afford not to have this program.

All of us know that automation and technological advancements will continue at an even more rapid rate in the years ahead. With each advancement, more jobs in certain categories are eliminated. Without additional training, the future of these displaced workers point to only one place, our relief rolls.

We must remember one thing: Not only does the worker go on relief, but his family does also. His children do not receive, as a result of this situation, the necessary education or training to prepare them to work and live in our highly automated society of tomorrow, and, we may end up with them on our relief rolls permanently.

We must give these men and women who are raising families the opportunity to be retrained, reenter the work force, educate and support their families, become self-sustaining and active contributors to our national economy.

This legislation is an investment in the future. The ultimate returns received by the Nation will be boundless.

Let us look just a little further. I understand that we are going to be asked to help industry further modernize plant and equipment through tax legislation.

It must be realized that with each modernization and each improvement we will see more and more displaced workers, not only in the unskilled groups but also in the semiskilled group.

I do not want to be termed an "alarmist," but I would like to call your attention to the fact that if we keep losing taxpayers from the employment rolls and forcing them to become tax recipients on the relief rolls, who will pay their share of the cost of government? I mean the cost of city, county, State and Federal governments.

We know there are jobs available. However, they all call for more education or for more special training in specific skills than those now held by our unemployed.

With the passage of this legislation and the machinery available for our long-term unemployed to secure training our hard-core unemployment rate will be materially reduced.

Not only will our economy continue to grow, but our total unemployment will shrink and our relief rolls will decrease.

I ask your serious consideration of this legislation and your vote in favor of it.

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

Mr. HOLLAND. I am glad to yield to the distinguished majority leader.

Mr. ALBERT. Mr. Chairman, first of all I desire to commend the gentleman from Pennsylvania upon the statement he has made. Secondly, I rise to pay personal testimony to the diligent effort the gentleman from Pennsylvania has put into this matter. Last August when this bill was reported from the Committee on Education and Labor the gentleman undertook to get it programmed and advised that he would offer perfecting amendments when it reached the floor. He said he was going to continue his study and investigation of this matter. During all this time he was quick to give credit to other members of his subcommittee. For instance, he told me that the gentleman from New York [Mr. GOODELL] had important and what he thought were beneficial amendments.

Of the other members of the subcommittee some were interested in the farm provision, others in the youth training provision. The gentleman has pursued this matter vigorously, as has the subcommittee over which he presided; and I think it can well be said that this has been a bipartisan effort and that it has been a job well done.

Mr. MOORHEAD of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. HOLLAND. I yield.

Mr. MOORHEAD of Pennsylvania. I would like to join with our distinguished majority leader in praise of the distinguished chairman of this subcommittee. Not only in Washington but also in Pittsburgh, I have seen the work he has done, his selfless devotion to duty, his intense interest in the problems of the unemployed not only of his district but of my district and of the unemployed across the country. The work he has done should be recognized by the Congress and by the entire country.

Mr. KEARNS. Mr. Chairman, I yield 5 minutes to the gentleman from New Jersey [Mr. FRELINGHUYSEN].

Mr. FRELINGHUYSEN. Mr. Chairman, I should like to speak briefly in support of the general principle represented by this bill. I might add that I was not a member of the subcommittee which was primarily responsible for drafting this legislation; but I was, of course, a member of the full committee which considered its various provisions.

I believe the Federal Government under certain conditions should share in the responsibility of training and retraining workers. Of real importance also is a clearer definition of the Federal Government's responsibility for evaluating the changes in the Nation's manpower needs, and for seeking solu-

tions to the problems which technological developments may create. Only by foreseeing where future manpower needs will be most acute, and where such needs will be substantially decreased, can adequate allowances be made for the impact of these future needs.

Having said this much, Mr. Chairman, I must add that I have definite reservations about certain provisions of the bill before us, H.R. 8399. There has been considerable talk, but no definite commitments, about the possibility of a substitute being offered for the bill before us. It is my hope, and indeed it is my understanding, that such a substitute is going to be forthcoming. The chairman of the full committee recognized that there has been solid bipartisan support for the principle represented by this bill, and substantial changes were made when the full committee discussed it. Yet, I think as the bill now stands it has serious deficiencies.

I agree strongly with those who argue that we need to pass legislation which is carefully drawn, and which will not give unnecessary or unduly broad powers to those who will administer the law.

On this point I would like to pay my tribute to the gentleman from New York [Mr. GOODELL], who has sent out a letter expressing some of his reservations about this bill. He has, in my opinion, done more than anyone—certainly on our side—to develop a reasonable basis for agreement.

It is my hope his bill, H.R. 10363, introduced on February 22, will form the basis for a compromise on which both sides will agree. I have never heard to the contrary, and I can only assume we are moving harmoniously toward that end.

I should like to point out one fact which disturbs me considerably. Admittedly this fact will be obvious to those who have given this question close attention, but I consider it of real importance. This bill now before us is only one of a number of measures, several of which have been enacted already, which deal with manpower training. Under the Area Redevelopment Act, for example, the Secretary of Labor is given considerable authority to make surveys of employment needs in the so-called distressed areas. He also is authorized to establish training programs in such areas, under section 16 of the act.

Training for young people is a major feature of the so-called Youth Employment Opportunities Act, H.R. 8354, approved last year by our Committee. Titles I and II of this bill provide for elaborate make-work programs, under the guise of on-the-job training. Title III would establish a so-called Youth Conservation Corps reminiscent of the Civilian Conservation Corps of the days of the depression.

In my opinion, Mr. Chairman, the provisions of the bill which we are considering which concerns the selection of trainees needs to be revised. I refer to section 202. It would be desirable to amend this section so as to make special provision for the training of our young people.

It should be pointed out that some 3.8 million persons during the year ending June 30, 1960, actually received training under existing Federal-State vocational education program. Included in this group were some 139,000 apprentices, 101,000 skilled technicians and 40,000 practical nurses. Any new Federal training programs, it should be evident, need to be carefully scrutinized if we are to avoid overlapping and duplication.

It should also be pointed out, Mr. Chairman, that President Kennedy has indicated that his proposed changes in this country's trade policies will necessitate some retraining of domestic workers. In his state of the Union message he proposed "appropriate and tested forms of assistance to firms and employees adjusting to import competition."

In his special message on trade Mr. Kennedy proposed what he described as trade adjustment assistance. He suggested that workers adversely affected by increased imports be given readjustment allowances and be encouraged to take vocational and training programs to develop higher and different skills.

I mention these instances, Mr. Chairman, to demonstrate that these training programs, while useful, need to be watched most carefully. Without some kind of direction, these programs may multiply alarmingly. There may well be unnecessary and undesirable overlapping and duplication.

In my opinion, one of the main reasons for passing a bill of this sort is to provide one point where Federal activities in the training field can be centralized. It would not be unreasonable to gather in one place what is already being done as well as what may be authorized in the future. For example, if training is considered necessary to aid workers adversely affected by increased imports, it might well be handled by the program which we now are proposing to authorize.

Mr. POWELL. Mr. Chairman, I yield 10 minutes to the gentleman from West Virginia [Mr. BAILEY].

Mr. BAILEY. Mr. Chairman, if we are to meet the responsibilities with which we as a nation are faced today, both at home and abroad, every resource we have will need to be exploited to the utmost. Of all our resources, manpower is the most vital, yet it is the one we perhaps use most poorly. This is an indulgence we can no longer afford.

The manpower development and training measure, H.R. 8399, is designed to develop our manpower resources more fully by improving the skills and adaptability of the Nation's workers. However, some question has been raised as to whether the manpower development and training proposals will do the job.

The job most certainly can be done by the programs contemplated. I say this on the basis of the Federal Government's experience in establishing training programs under the Area Redevelopment Act of 1961. As you know, this act provides, on a very small scale, for the type of training programs which would be available under the manpower development and training bill on a much broader scale.

This pioneering experience, although limited, has been excellent. It has provided us with invaluable experience. There is now solid evidence that the training programs contemplated can be conducted successfully and that some of our most stubborn problems of unemployment can be dealt with meaningfully through the use of carefully designed training programs.

During the relatively short period that the ARA training program has been underway, 28 States have submitted almost 100 training proposals, which would involve over 11,000 workers in 60 different occupations. In addition, there are training programs "in the mill" which will quickly exhaust all the available funds well before the end of the first year.

Forty-two programs with an enrollment of 5,500 have already been approved in 19 States.

Four such training programs are operating in West Virginia. They are in Clarksburg, my home city, Huntington, and in Grant and Mingo Counties. In the Clarksburg program, we are training aircraft riveters to be employed at a new Lockheed plant. It would have been impossible for us to obtain the plant if an adequate supply of skilled workers could not have been assured. One class has already been trained and workers are in the process of being hired; another class is in its third week, and a third class began yesterday. Altogether this program will furnish 225 employees for the new plant. Other skills for which training will be made available are auto mechanic, machinists, nurses aid, typists, and stenographers.

The first training programs approved under the ARA were in Huntington. This was a tribute to the former mayor, the Honorable David Francis, who has planned and long proposed such a comprehensive retraining program as is contemplated under the manpower development and training bill.

The Huntington program has been criticized from afar by those who know little or nothing about it. Mr. Francis, who is a coal operator, a Republican, and a conservative, has flatly refuted the charges made by critics.

The Huntington project is a success.

One of the most encouraging aspects of the area redevelopment training program has been its success in getting to the "hard core" unemployed. Over one-half of the trainees selected for courses have been out of work for over 26 weeks. In fact, one-third have been continuously jobless for over a year. It is also significant that about 12 percent of the selectees were over 45 years of age. In short, what impresses me is the unemployed persons, both men and women, with different educational backgrounds, from different areas, of different ages, are willing to take training which will put them back on the job.

If this kind of experience is repeated on the scale embodied in the manpower development and training bill, we will have gone far in resolving one of our most intractable manpower problems.

Since I have referred, at some length, to the area redevelopment program, it

might be well to point out some similarities and differences between the training features of that act and the manpower development and training bill.

While the operation of the training programs under the Area Redevelopment Act and the manpower development and training bill are similar in some respects, they are designed to serve different needs. The retraining of workers under the Area Redevelopment Act is but a small part of a much larger program aimed at the rehabilitation of economically distressed areas. In this context, the training program has several serious limitations.

First, it is, at best, a small pilot effort which can provide training for perhaps 20,000 individuals. Obviously, our training needs are far greater than this.

Second, training is limited to places which have been designated as "redevelopment areas." However, the need for training is almost universal.

Third, the maximum training time is 16 weeks. This restricts the kind of training which can be given.

On the other hand, the training provided for in the manpower development and training bill is not hampered by these limitations. It is designed specifically to provide a broad and coordinated program to help workers throughout the Nation adjust to technological changes and to provide the best match between jobs that are becoming available and the people available to fill them.

The number of persons that could be trained under the manpower development and training bill exceeds 150,000 the first year and 250,000 the second year. Unlike the Area Redevelopment Act, every State and area may participate. Instead of 16 weeks, training will be permitted for 52 weeks which will provide a much more adequate basis for skill development.

There are other differing aspects of the manpower development and training bill worth pointing up. The bill contemplates the upgrading and updating of the skills of some employed workers so that they may keep abreast of the rapidly changing needs of our industrial complex. The training costs for these employed workers would be financed on a 50-50 State-matching basis. Of course, such persons would not receive training allowances. The manpower development and training bill also requires that States maintain their existing levels of vocational training from their own funds.

I mention these points of differences between the two bills to emphasize that the existence of the very modest training program under the Area Redevelopment Act in no way mitigates the need for the broad overall attack upon the Nation's need for manpower training embodied in the manpower development and training measure.

In its broadest sense, the manpower development and training bill proposes to demonstrate that a free society faced with a great outpouring of youth into its labor markets, increased needs for trained manpower, a changing technology, and a growing number of persistently unemployed workers, can maximize the use of its human resources.

I include here a list of the different kinds of occupations, 30 in all, for which workers are training under approved Area Redevelopment Act training programs:

1. Aluminum sash and door maker.
2. Automobile mechanic.
3. Automatic transmission specialist.
4. Chemical operator.
5. Draftsman.
6. Electrician, ship.
7. Electronic assembler.
8. Electronic mechanic.
9. Farm mechanic.
10. Machine tool operator.
11. Maintenance mechanic.
12. Millman, woodworking.
13. Nurse aid.
14. Radio and TV service and repair man.
15. Riveter, aircraft.
16. Route salesman.
17. Sewing machine operator.
18. Sheet metal machine operator.
19. Small appliance repairman.
20. Stenographer.
21. Tractor operator.
22. Typist.
23. Waiter and waitress.
24. Ward attendant.
25. Welder, combination.
26. Dry cleaner.
27. Presser, machine.
28. Spotter, general.
29. Presser, hand.
30. Boot and shoe worker.

Mr. Chairman, I would like at this time to include as a part of my remarks a letter from Mr. David L. Francis and an editorial from the Wall Street Journal:

PRINCESS COALS, INC.,
January 27, 1962.

Mr. DONALD I. ROGERS,
New York Herald Tribune,
New York, N.Y.

DEAR MR. ROGERS: My good friend, Arthur H. Motley, of Parade Publications, has sent me your editorial "Lollipop Flop," which appeared in the Herald Tribune on January 18. This had already been brought to my attention as a NAM editorial. Whether you secured your information from them or vice versa, or whether you write for both, I do not know. Quoted below is my reply to Mr. Motley:

"Now as to the editorial by Donald I. Rogers entitled 'Lollipop Flop.' This is indeed an unfortunate article because it is completely untrue. The program will be a success, has been to date, and at the end of this fiscal year it will have graduated the 325 students that the appropriations were set up for. It is anticipated that the great majority of these retrained unemployed persons will get gainful employment and we will learn a great deal about many facets of the program. Incidentally, the Ford Foundation approved a grant of \$150,000 to study this whole problem and will set up in Huntington as its headquarters. The results of their study will be of real help across the Nation. We have much to learn and many knotty problems to solve. Articles like Editor Rogers' are a real tragedy."

I am always quite reluctant to be critical of someone whom I have never met and whose source of information is not known to me. However, your editorial is loaded with half-truths and untruths and is indeed harmful. It is regrettable that a paper of such a high reputation for editorial comment as the Herald Tribune would allow this to go out without doublechecking.

I wonder if you bothered to call or make any check with anyone in the Huntington area.

Let me give you some of the true facts.

The Federal Government allocated, through ARA, to the local public school system \$135,000 to run the pilot project in Huntington—not \$15,000 as you indicate.

The program is not a total flop as you state. There is every indication that the 325 newly trained workers will be graduated from their courses by the June 30 date and a good portion of them will flow back into the workstream with gainful employment. The courses were limited in this instance to a select group that had been checked out in this area as having the best chance of supplying employment. Courses were limited to this local area supply. If outmigration had been contemplated the courses could have been broadened.

The State employment office did hire nine additional people to get the organization procedure set up. They did not cut back to four because of lack of demand. This had been anticipated all the time.

Some 2,000 inquiries have been received by the office and out of this number 750 were given aptitude tests. Many had already taken aptitude tests prior to this program, therefore a large number were eligible for further consultation. I don't know where you got your figures at the bottom of the first column and at the top of the second column of your editorial, but they are in error.

No courses have been abandoned although you state that they have been. All courses are being carried on—sometimes a little behind schedule and in some instances such as automatic transmission repair—there is a demand for twice the number that are now being trained.

You indicate there is no interest in this program. Interest is growing and inquiries are coming in at the rate of 500 per month.

Considerable basic information will be learned from this program, although we certainly admit we don't have all the answers. Much research has to be done.

The thing that bothers me as much as anything else about your editorial is the fact that the Herald Tribune would publish an editorial with such a flippant, negative attitude with which you write regarding the effort to solve a serious problem in our Nation—the one of the unemployed. There was nothing constructive in your editorial. Many thinking people in this Nation are working hard to try and find a solution. What we are doing may not be exactly right and we know we will make mistakes, but at least we are trying.

May I respectfully suggest that you visit Huntington and see what we are doing, let a little of this rub off on you, and then we would like some constructive suggestions as to how you feel the unemployment problem can be cured.

I am enclosing for some background reading some information which I have issued, the most recent talk by Governor Barron on our youth problems and a summary of the C.E.D. report on this matter. I have quite a file of other information but do not wish to overburden you.

I have always considered an editor as somewhat of a judge, who before he makes his decision weighs both sides of the question and then carefully considers the evidence and makes his decision. Did you do this?

Yours very truly,

DAVID L. FRANCIS,
President.

[From the Wall Street Journal, Feb. 16, 1962]
JOB RETRAINING—FIRST AREAS TO TRY IT FIND IT PRODUCES BOTH PROBLEMS AND REWARDS—APTITUDE TEST IS TOO TOUGH FOR SOME, BUT OTHERS GET BOOKKEEPER, RIVETER JOBS—A BILL FOR \$655 MILLION

(By Phillip E. Norton)

HUNTINGTON, W. VA.—Mrs. Delores Creamens, crisply fresh in her newly starched

white uniform, assists a wheelchair patient into a bed at Cabell-Huntington Hospital here and then moves on to her next chore as a nurses' aid. Less than 4 months ago, the trim, 26-year-old brunette was a jobless welder, one of this Mountain State's 64,200 unemployed.

Mrs. Creamens is only one of scores of previously unemployed individuals now at work in new fields for which they have been trained under provisions of the Federal Government's 1961 Area Redevelopment Act. Under this act, the Government offers aid to areas of high unemployment so that jobless persons who qualify can learn new and needed skills. Not yet a year old, the program already has enrolled 4,400 jobless persons; Federal officials expect the figure to reach 15,000 by June 30.

The progress—and many problems—of this embryonic venture are of more than passing significance. For one thing, the Kennedy administration is so enthused about the retraining concept it is striving to broaden the program—at a considerable increase in cost to taxpayers. Moreover, the lessons learned here and in other communities where the program is meeting its first tests may be of interest and value to high-unemployment areas which have not adopted the program or put it into effect at this time.

NOT A CURE-ALL

No one claims that job retraining will wipe out unemployment. Last month, joblessness in the United States fell below 6 percent of the labor force for the first time in 16 months. But some authorities on unemployment believe retraining is a promising means of attacking long-term unemployment in areas where industry has moved out or folded up and the unemployed have been unable or unwilling to move to more prosperous areas. Such an area is that around Huntington, where unemployment is running 8.7 percent of the labor force as a result of dwindling employment in coal mining counties to the south and of the departure of a number of businesses. Since 1955, the area has lost 28 industrial plants with about 4,000 employees.

It is much too early to pass final judgment on the merits of retraining, but so far Federal, State, and local officials appear pleased with results. "From where we sit, the program is definitely meeting a need and moving along nicely," comments an official of the Area Redevelopment Administration in Washington. Secretary of Labor Goldberg has called the program an "unqualified success."

The program is encountering some unexpected problems, however. Among the difficulties: Reluctance on the part of many jobless persons to train for new skills, the inability to retrain many individuals who need the jobs the most, and the problem of finding jobs for some of those who have been retrained.

The program has been approved by the ARA for 35 communities in 14 States from Rhode Island to Montana. ARA officials report they have applications from another 100 communities. The first three areas to set up programs—Huntington, Ansonia, Conn., and Providence-Pawtucket, R.I.—have enrolled 342 jobless persons for retraining and expect to train a total of 703 individuals by July 30.

AN OPTION ON PAYMENTS

Currently, applicants who qualify are trained from 2 to 16 weeks in one of 30 skills, ranging from waitress to machinist. Some \$4 million has been provided in the current Federal fiscal year to conduct this training and another \$10 million has been appropriated to pay trainees weekly allotments equal to the average weekly unemployment compensation payment in the

State in which the trainee resides. A trainee has the option of receiving this payment or of receiving unemployment benefits if he is eligible.

The Kennedy administration is backing a 4-year program that would provide \$655 million to train 1 million persons displaced from their jobs by automation, foreign competition, industrial relocation and other causes. Such a bill already has been passed by the Senate and chances appear good for early action on a similar but more modest House bill calling for a 2-year, \$300 million program. Both measures provide for a maximum of 52 weeks of payments instead of the present limit of 16. Unlike the present program, in which the Federal Government is footing the entire bill, States would put up matching funds under the proposed legislation.

The aim of retraining is to reduce the numbers of the so-called hard-core jobless—that is, those persons who have been out of work 1 year or more. The Labor Department estimates this hard core averaged about 800,000 persons last year, the most in over 20 years. Backers of the Federal program argue such unemployment is too large to be attacked effectively on the State or local level alone. Critics of the program contend it avoids coming to grips with the causes of unemployment and they doubt its chances of success in easing the problem.

THE HUNTINGTON PROGRAM

For an idea of how retraining works on the local level, take a look at the operation here in Huntington, the first community to receive authority to start a program. People in economically ailing Wayne and Cabell Counties were quick to respond when Congress enacted the retraining bill. Civic leaders set up an area economic development plan and won State approval for their proposed plan, as required by Federal law.

Included in Huntington's application for a retraining appropriation was a list of skills needed in the region; the list was compiled after a survey had been made of local businesses. The Huntington plan won Federal sanction last October and \$135,000 was allotted to put it into effect.

Since then, local school and State employment officials have banded together under the supervision of the ARA to set up a training program in Huntington East High Trade School and in two local hospitals.

DISAPPOINTMENT OVER RESPONSE

Huntington officials concede they were disappointed with the initial response to the program. Post cards were sent out to 1,015 of the long-term unemployed, informing them of the retraining project. But only 640 appeared for aptitude tests and, of these, only 240 qualified for training.

Some local officials believe the reasons the response was not greater was that the cards were sent out not long before Christmas and that a good number of the recipients may have found temporary work for the holiday season. Other officials say many of the long-time unemployed simply stick to a dream that they will get their old jobs back someday. Snaps D. W. Fox, Jr., coordinator of the East High Trade School: "Some of our unemployed are just going to have to face facts and change their vocations in order to get jobs."

Officials in Providence, wanting to be sure they had people ready to start training when they won approval for their program, lined up 178 jobless persons as early as last September. But by the time the program was finally approved in November, nearly all of these candidates had found other work or part-time holiday employment and only nine were ready to begin training.

One major problem, according to retraining supervisors, is that poor education renders roughly half the long-term unemployed

unsuitable for retraining. "I think the general aptitude test we give here frustrates some of those taking the test," says an examiner here in Huntington. "If too many people do badly on the test, then they'll tell others that it's a hard test and we may lose candidates."

TEST IS DIFFICULT

Alexander Osedach, manager of the employment office in Ansonia, fears the program there may run short of candidates because of the level of education required to pass the aptitude test. He recalls that of 83 candidates who took an aptitude test for a basic machine shop course, only 25 passed. The test is a "comparatively difficult" one which requires 2 years of high school and some understanding of algebra, Mr. Osedach says.

By far the toughest problem confronting retraining officials in Huntington is the placement of graduates. Last fall, when Huntington officials surveyed employers to determine what skills were needed locally, they discovered there was a demand for nurses' aids. As a result, the local employment office and school leaders set up three 4-week training courses for nurses' aids. Since December 23, the program has turned out 43 graduates. The jobs that appeared to be available last fall, however, have been snatched up by others in the meantime. Only 10 of the graduates have been placed so far.

"I think we should have spaced the three nurses' aid classes out over a longer period to allow need for their services to grow," declares Thomas Mitsoyianis, a Huntington employment office official. "However, this was the first time we ever had such a program and we could not foresee this problem."

ARE COURSES EXTENSIVE ENOUGH?

Some employment office people, while supporting the retraining concept, question whether the courses now being given are extensive enough. "I don't think training courses of 2- to 4-week duration are sufficient to prepare a person for a skill," declares Mrs. Alice K. Walsh, assistant director of replacement in Providence. Adds Oscar Duff, a West Virginia State employment official: "The act provides subsistence payments for only 16 weeks of training. What can you do in this time? If you did lengthen the training period to more than 16 weeks, I think many people would stop attending when the money stopped coming in."

Despite the problems involved, many employment office officials still are enthusiastic about the possibility of reducing unemployment through retraining.

Ansonia's Mr. Osedach says his office has placed all 16 men who recently were graduated from a machinery course and has received word "from 5 major employers that they can absorb the 27 retrainees who are halfway through the second course." Providence's Mrs. Walsh reports that a local bank has offered to supply calculating machines for a retraining course in bookkeeping and to hire graduates of the course.

West Virginia officials have found that job retraining can have some surprising but not unwelcome side effects. One lever used in luring Lockheed Aircraft Corp. to Clarksburg last year, they report, was the availability of a State-sponsored retraining program geared to retrain the jobless as aircraft riveters. West Virginia's Mr. Duff says all 21 trainees nearing the end of the first course in riveting will be hired by Lockheed if they pass the physical exam. And, he adds, employment officials plan to train 75 more riveters for Lockheed by June 30.

Mr. GOODELL. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, I rise in support of manpower training legislation. As the ranking member of the subcommittee

that wrote this bill I wish to state that I think this bill we brought out of the committee is a promising beginning. It is my understanding that there will be presented a substitute, with bipartisan support, which embodies completely my bill, H.R. 10363. I emphasize that it includes, word for word, every single provision in that bill. Under these circumstances I am particularly pleased, because I offered these amendments; there was a total of 28 or 29 that I offered in subcommittee. About half of them were approved in subcommittee and the other half were rejected. Now that other half is being accepted in the form of a substitute. Under those circumstances I feel we are writing effective legislation.

I offered those amendments primarily to narrow our efforts and focus them on the places of most critical need and to prevent waste in this program.

I would emphasize, in answer to some of the comments that have been made here earlier that I certainly do not think training legislation is the full answer to our unemployment problem. It is a beginning. We are not going to spend money on any people who do not accept training, who do not make a sincere effort to utilize their abilities and develop new skills. If 10 percent of the unemployed in an area accept training, those are the ones we are going to spend money on. If 90 percent reject the training, we shall spend no money on them. They will remain on the unemployment rolls and the welfare rolls. So the 10 percent is a bonus. It is money spent well to put those 10 percent back into the productive stream of our economy.

I do not endorse the view that automation is a major cause of unemployment. I do not believe the facts will indicate that we should panic about the effects of automation. Most of its results are beneficial to mankind. Automation increases productivity and in my opinion when you increase productivity you ultimately increase employment. Historically this has been true in our economy.

No substantial expert has come before our committee and argued against technological progress and automation. We are simply striving to adapt humanely to the needs of fast change in our economy.

The statement was made earlier that we would have no one to train under these programs. I have before me a small example of some of the skills for which training would be useful. And when we go back into the House I shall place this in the RECORD as part of my remarks. But broken down, to give you an example of the type of things we can do, in an 8- to 20-weeks training period, we could train workers to be bookkeeping machine operators, key punch operators, clerk-typists, nurses' aids, welders, sewing machine operators, electronic assemblers, fabricators of plastics, and so forth.

In a 21- to 52-week training time we go all the way from medical record librarians and psychiatric social workers through X-ray technicians, surveyors,

fertilizer technicians, and so forth. This is a long, long list and to anyone who is interested I should be glad to make it available for him to see at the desk. It is also included in the RECORD at this point:

Examples of skills for which training will be useful

I. 8 TO 20 WEEKS' TRAINING TIME

DOT Code	Title
1-02	Bookkeeping machine operator.
1-25	Key-punch operator. Tabulating machine operator. Calculating machine operator.
1-37	Clerk-typist.
1-75	Salesperson (specialty).
2-42	Nurse aid.
4-85	Welder, inert gas.
6-27	Sewing machine operator.
6-98	Electronic assemblers.
7-10	Fabricator, plastics.
7-57	Presser. Silk finisher. Laundry worker.

II. 21 TO 52 WEEKS' TRAINING TIME

DOT Code	Title
*0-01	Accountant.
*0-06	Technical writer.
0-23	Librarian. () Medical record librarian.
0-27	Psychiatric social worker. () Group worker. (*) Caseworker.
0-32	Teacher, elementary. () Teacher, secondary. (*) Physical therapist. (*) Occupational therapist.
0-33	Nurse, general duty. () Nurse, psychiatric. (*) Nurse, anesthetist.
*0-36	Statistician.
*0-39	Dietitian.
0-43	Display man.
0-44	Technical illustrator.
0-48	Draftsman. Detailer.
0-50	Dental hygienist. Dental technician. Laboratory technician (food procurement, chemical, metallurgy). Medical technician. X-ray technician.
0-52	Licensed vocational nurse.
0-64	Surveyor.
0-68	Fertilizer technician.
0-68	Insecticide technician.
0-69	Programmer. () Systems engineer.
0-71	Manager, restaurant.
0-74	Buyer trainee.
1-01	Bookkeeper, full charge.
1-20	Librarian assistant.
1-25	Console operator.
1-32	Medical assistant. Dental assistant.
1-33	Secretary. Medical secretary. Legal secretary.
1-37	Stenographer. Court reporter.
*1-65	Salesman, stocks and bonds.
2-32	Beauty operator.
2-26	Cook.
2-66	Law enforcement officer.
3-35	Farm equipment mechanic. Farm equipment operator.
4-25	Tailor.
4-78	Machinist. Tool and die maker. Inspector, machine shop. Shaper operator. Boring-mill operator. Jig boring-machine operator.
4, 6-78	Engine-lathe operator. Turret-lathe operator. Milling-machine operator. Cylindrical grinder. Surface grinder.

Examples of skills for which training will be useful—Continued

II. 21 TO 52 WEEKS' TRAINING TIME—CON.

DOT Code	Title
6-78	Drill-press operator. Radial-drill-press operator. Screw-machine operator. Automatic-screw-machine operator.
6-98	Universal-winding-machine operator.
5-17	Modelmaker.
5-57	Spotter. Drycleaner.
5-80	Airframe and powerplant mechanic.
5-81	Auto mechanic. Foreign car. Automatic transmission. Body-and-fender repairman.
5-83	Electronics technician. Electronics tube technician. Computer technician. Electrical appliance serviceman. Refrigeration mechanic. Air-conditioning mechanic. Office-machine serviceman. Radio and TV repairman.
7-99	Plumber apprentice. Sheet metal worker apprentice.

Items marked with an asterisk are occupations which require an academic background or degree such as B.A., B.S., A.A., R.N., as a prerequisite for training within the period indicated.

Perhaps the greatest need for retraining is for upgrading the skills of unemployed workers to enable them to compete for jobs in their present occupation. This problem is common among engineers, machinists and machine operators, typists, stenographers, secretaries, and maintenance mechanics.

There is also widespread need for training to upgrade the skills of employed workers, especially in the professional, technical, managerial, and skilled categories. Needed training includes the following subjects, most of them requiring in excess of 21 weeks training time: Blueprint reading, schematics reading, advanced mathematics, shop mathematics, technical communications, report and manual writing, speed reading, salesmanship, systems analysis, contract administration, human factors engineering, personnel and industrial relations subjects, statistical data analysis, and quality control.

There is a long, long list, much longer than will permit its inclusion here, which I would be glad to make available to anyone who is interested. It is by no means a complete list. My amendments were designed to prevent the types of things which were discussed here earlier as to abuses, putting people on training allowance to train them to be waitresses or dishwashers or chambermaids. One of my amendments would prevent any training allowance to a person who is trained for less than 6 days. This will eliminate in itself most of the very small minor skills for which some person might get a day or two of training. They can be trained, but will receive no training allowance. For anybody who is trained for less than 2 weeks under my amendment there must be an immediate job vacancy available. It is my opinion if you are training a person for less than 2 weeks' time you should know a job vacancy is there and will be there at the end of 2 weeks. Under my substitute bill there will be a training allowance paid only to unemployed—not to employed or underemployed or prospectively unemployed but only to unem-

ployed, heads of families. In other words, the ones who are in most critical need and who have held jobs for at least 3 years will receive the help. This will prevent giving this aid to young people who have quit school in order perhaps to qualify for training allowances or for some kind of training.

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

Mr. GOODELL. I am delighted to yield to my colleague.

Mr. LANDRUM. In view of the statement just made by the gentleman from New York I would ask how his amendments would permit payment to people selected under this act under the provision on page 8 of the substitute, which I understand will be offered, which reads thusly:

Workers in farm families with less than \$1,200 net family income shall be considered unemployed for the purposes of this Act.

Now how are you going to provide for the payment of training allowances to a worker from that farm family?

Mr. GOODELL. The training allowance would be paid to him when he accepted a program of training for a specific skill, provided he was a head of family. If his training was for less than 6 days he would get no training allowance.

Mr. LANDRUM. You have just stated that no training allowance would be paid to one who had not held a job for at least 3 years. Must this farm family show that they had not had income of more than \$1,200 for a period of 3 years?

Mr. GOODELL. No. He must show, to qualify for this aid, that he has held a job for 3 years in his lifetime.

Mr. LANDRUM. That is, if he has been a farmer, 3 of the years of his life, whether they were consecutive or not—or interspersed with great periods of employment in something else, he would still qualify under this bill?

Mr. GOODELL. That is correct. My amendment is designed merely to prevent aid to any young people who are quitting school and then going into a training program to be paid for it. They not only must have worked for 3 years, but they also must be heads of families and unemployed.

Mr. LANDRUM. In view of the last statement which the gentleman has made, referring to page 7 of what I understand will be the substitute to be offered by the gentleman we find that the Secretary of Labor whenever appropriate shall provide a special program for the testing and counseling of youth 16 years or older for selection of these youths for whom occupational training under this act is indicated. How are they going to qualify for on-the-job training when obviously they cannot have held a job for 3 years prior to that?

Mr. GOODELL. The young people who do not qualify as heads of families with 3 years of work and being unemployed will qualify for training but not for training allowances. We set up a special program for testing and counseling of these young people but they will get no training allowances from the Federal Government.

Mr. LANDRUM. Are you by this provision encouraging the 16-year-olds to abandon their high school training program?

Mr. GOODELL. I think this amendment prevents that. That is my intent in presenting the substitute.

Mr. LANDRUM. Are you encouraging the 16-year-old to abandon the opportunity to go to the area vocational schools that are being established in many of our States?

Mr. GOODELL. He may go to the vocational school exactly the way he is going now but he will not be paid a training allowance for doing so.

Mr. LANDRUM. That is the point I want to get at. In order to go to the vocational school he has to go there under the requirements and prerequisites set up by the Secretary of Labor. Is that not correct? That is what you are saying.

Mr. GOODELL. You have raised another point which I will cover at this stage because it is a very excellent point.

The CHAIRMAN. The gentleman has consumed 10 minutes.

Mr. GOODELL. Mr. Chairman, I yield myself 5 additional minutes.

To a considerable degree the original administration bill confused the authority of the Secretary of Health, Education, and Welfare and the Secretary of Labor. In subcommittee a number of my amendments were accepted which I believe clarified this point completely.

The original bill had a tendency to put our vocational schools under the Labor Secretary. We did not want that. We want them segregated completely, if I may use that word.

Mr. LANDRUM. That is a good word.

Mr. GOODELL. We will not get into that because I am afraid we have a little disagreement there. We want this separated, may I say, so that the vocational system would continue to be run by the local and State governments and HEW; and, therefore, we provided that 19 percent of the money would come from the Federal Government, 40 percent from the local government, and 35 percent from the State government. It is primarily a State and local program. We provide Federal aid to take up part of the burden. We specifically deny the Secretary of Labor the authority to move over into that program and start trying to take it over. I believe we do that effectively.

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

Mr. GOODELL. I yield.

Mr. LANDRUM. I cannot agree with that statement just made by the gentleman in view of the provisions of section 202 headed "Selection of Trainees." This states specifically that the Secretary of Labor, not the Secretary of Health, Education, and Welfare, the Secretary of Labor shall provide a special program for testing and counseling of youth 16 years of age or older, and for the selection of those youths for whom occupational training under this act is to be given. You specifically give the authority to the Secretary of Labor to select those youths.

Mr. GOODELL. Absolutely.

Mr. LANDRUM. And refer them to the Secretary of Health, Education, and Welfare.

Mr. GOODELL. Absolutely.

Mr. LANDRUM. The Secretary of Health, Education, and Welfare will have the direction of the educational agency, the counseling and guidance of the public school program and State school program which presently do that. Why do you want to remove it from them and let the Secretary of Labor get his fingers into the pie?

Mr. GOODELL. I will tell you precisely why we want to do it; and let me make this point: Selection, counseling, and referral of these unemployed prospective trainees is done by your local employment offices, by State employment offices, and the U.S. Employment Service under the jurisdiction of the Secretary of Labor. The Secretary of Labor is going to make this decision through those offices as to selecting, and testing, and referral. That is where the Secretary of Labor's authority ends. After the Secretary refers them, the local, State, and HEW vocational system provides the training, they control this training and the schooling. That is where we want to keep it.

Mr. LANDRUM. Mr. Chairman, will the gentleman yield further?

Mr. GOODELL. I shall be delighted to.

Mr. LANDRUM. So you confirm my previous suggestion that the only way you are going to get these youths into the vocational training program after the adoption of this bill is after the Secretary of Labor has tested them, counseled them, looked them over, sized them up for the qualities he wants, and then refers them himself.

Mr. GOODELL. He may enter vocational school without any reference to employment offices or the Secretary of Labor. But the only way he will qualify for a training allowance is if he goes through the orderly procedures of the employment offices. A good example of the need for such a procedure is that many of these vocational schools are teaching obsolescent trades where, had they consulted the employment offices, the employment offices could have told them the skills in which there were shortages and they could train people accordingly; under the substitute, there would be some coordinated effort.

Mr. LANDRUM. It seems to me that could be done under the Smith-Hughes Act, the National Defense Vocational Training Act, and others.

Mr. GOODELL. If I may say, the only agency that is capable of dealing with this unemployment problem properly and doing the testing and counseling is your local employment office which is under the jurisdiction of the States and the Department of Labor.

Mr. LANDRUM. Who is to determine the unemployment problem? Who is to determine the skill necessary? You are here giving the Secretary of Labor authority to select the trainee and to select him at a high school age level.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. GOODELL. Mr. Chairman, I yield myself 5 additional minutes.

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

Mr. GOODELL. I yield to the gentleman from Oklahoma.

Mr. ALBERT. Somebody has to decide whether the youth or other unemployed person is going to be sent to an occupational school or on-the-job training. You have to have some concentration of responsibility in the matter of selection and referral but after the individual goes on the job or goes into that school, does not that institution and whoever in the Federal or State Governments, or whoever has jurisdiction, continue to have jurisdiction over the training?

Mr. GOODELL. That is true. We have a specific provision in here requiring HEW through the school to notify the local employment office if the student is not performing satisfactorily or attending satisfactorily. It is then entirely in the discretion of the HEW and the local vocational school system, as to whether the trainee is training satisfactorily. If they notify the Secretary of Labor that he is not, then he is cut off from the training allowance.

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

Mr. GOODELL. I yield to the gentleman from Georgia.

Mr. LANDRUM. In view of what has just been said about the Secretary of Labor having no more authority after the selections are made, I read section 303 of the proposed substitute, and it is in the pending bill too:

The Secretary of Labor shall make appropriate provision for continuous supervision of the on-the-job training programs conducted under this title to insure the quality of the training provided and the adequacy of the various programs.

Mr. GOODELL. The gentleman in his very meticulous and intelligent way has skipped to another section dealing with on-the-job training, not vocational training. The Secretary of Labor now has jurisdiction and we are giving the Secretary of Labor continued jurisdiction over on-the-job training in the plants. That is no change over present law.

Mr. CURTIS of Missouri. Mr. Chairman, will the gentleman yield?

Mr. GOODELL. I yield to the gentleman from Missouri.

Mr. CURTIS of Missouri. I simply want to call to the attention of the Members of the House, this is one of the key areas where there has been a collapse in this whole program in our society. There has been a fight on jurisdiction between the Department of Education and the Department of Labor. I want to commend the committee for grappling with this difficult problem, and also the gentleman from Georgia for bringing out the point that this is the area that the Congress must resolve. But we certainly do not want to continue this confused jurisdiction. The committee has done an excellent job of preserving jurisdiction in a very practical way and providing a responsibility for moving forward.

Mr. GOODELL. I thank the gentleman.

May I point out further, in the substitute there will be a matching provision. The State governments shall match Federal funds in the payment of these training allowances as quickly as possible. My bill makes it 18 months. The unemployment compensation fund will be protected under my bill, which is the substitute, by providing reimbursement for training under the unemployment system. Today in approximately 17 States a man who is unemployed and collecting unemployment insurance may take training and continue to collect his unemployment compensation. This provision will permit us to reimburse those State unemployment trust funds, paid for entirely by the employers, for the period that a man is undergoing training. I think this is fair because you are taking a man out of the job market when he goes into a training school. He is temporarily not available for suitable jobs, and he should not be charged to the employer. I am happy that provision has been accepted.

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

Mr. GOODELL. I yield to the gentleman from Louisiana.

Mr. WAGGONNER. Section 203(f), page 11:

A person who receives training under this act shall not for 1 year be entitled to any training allowance.

That takes all discretion away from the man. If he refuses to take the training, he is sitting on the sidelines until he can get back to the Secretary of Labor.

Mr. GOODELL. That is very important. The greatest challenge made of this training allowance by conservatives, such as myself and others here, is that we might end up letting people stay on the unemployment rolls until their full eligibility had elapsed, then they could jump over and take up a training allowance.

This provision would give the local employment office some authority to deal with such a situation. A man who was deemed qualified for training and asked by the employment counselors to take up training and refused to do so, because he wanted to stay on the unemployment rolls until his eligibility was gone, would not be eligible for training for a year thereafter. It may be a harsh provision, but he is just ineligible, that is all.

Mr. WAGGONNER. What would happen if a man had been on the unemployment rolls and he had just one week of eligibility left?

Mr. GOODELL. In that circumstance, he would be eligible. If the long-term unemployed, particularly, are eligible for training and qualified, we want them to get the training and get them back in and start paying taxes instead of being on the unemployment or welfare rolls.

Mr. WAGGONNER. But the assumption is that the Secretary of Labor knows more about this than the man himself.

Mr. GOODELL. The unemployed man can refuse training. But he just will not get a training allowance for a year thereafter if he refuses it, and wants to sit around collecting unemployment compensation. I do not think he should be able to do that with impunity.

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

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

Mr. KYL. The gentleman always speaks with such clarity. Suppose we have a rather small community and there are 25 people who want to be retrained in 25 different occupations, as you have listed them. Where are these people going to get their training?

Mr. GOODELL. We provide that they can be sent to the nearest place that provides this kind of facility. If they choose to go, they will go and we will help pay their transportation costs back and forth. One of my amendments would limit the total amount of this transportation allowance that may be granted to these people, but in small communities we anticipate they will have to go to the nearest facility, and if transportation is necessary, they will be paid that. If it is more economical for them to go and stay 5 days, in the nearest city for instance, to get this training, we will pay them subsistence while they are in the city.

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

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

Mr. GROSS. What is this business going to cost, and where is the money coming from to pay it?

Mr. GOODELL. The money is going to come from the Federal Government, \$262 million over a 2-year period. States will match Federal money after 18 months. I believe the history of training under the vocational rehabilitation program and under the vocational program generally has demonstrated that we will get back a major share of our expenditures in terms of increased productivity and taxes collected from the individuals involved. Instead of them standing around stagnating, they will be working and they will pay their share of taxes and pay part of the load, and we want to help them do that.

Mr. GROSS. I wish I could share your optimism, but I do not.

Mr. GOODELL. I am sorry I cannot persuade my esteemed colleague from Iowa, but I do feel this very deeply. This has been, I may say to my colleagues on this side, a Republican approach. It is a solidly conservative approach, in my opinion, to the problem of unemployment, to help the people develop their own potential and get back into the working force. I do not want to try to solve this problem by wildly throwing a lot of Federal money into the economy, loading your employers with more cost so that they cannot expand their operations, create new jobs, and improve their productivity. Nor should we do it by generally hamstringing the economy. This substitute bill, H.R. 10363, offered by me last week will help the employers

to develop the skills of their workers, and they will be able to find the people they need in short skills more quickly because they will know where their supply is coming from. I, as much as anyone who has spoken here do not believe that we ought to shield our people or our economy completely from the facts of life, nor avoid the necessary purgings and shedding of inefficiencies in our economy. This substitute bill is a method of helping people help themselves by putting workers, who are laid off by reason of technological advancement, back to work productively, where they can carry their own load from there on. I want to express my commendation to the other side for accepting my substitute bill, H.R. 10363. My bill has 11 major differences from the committee bill. Those 11 changes were rejected in subcommittee when offered by me. I am glad the Democratic members of the committee are now accepting H.R. 10363, in toto. We will now have a bipartisan approach which I can accept wholeheartedly.

Mr. O'HARA of Michigan. Mr. Chairman, I yield such time as he may consume to the gentleman from Alabama [Mr. ELLIOTT].

Mr. ELLIOTT. Mr. Chairman, I support the bill, H.R. 8399, and particularly the inclusion of low-income farm people in the bill.

Mr. Chairman, it is a real pleasure for me to speak in favor of H.R. 8399, the Manpower Development and Training Act of 1962, which bill is now before the House. I have always been a firm supporter of, and a great believer in, more vocational education; more training for our citizens so that they can better compete for jobs in this age of technology and, thus, earn a better living for themselves and their families; more training so that industry will be encouraged to locate where there is a good supply of skilled employees; and more training so that our great country can grow and increase its productivity and thus maintain its leadership in the free world. I am glad the Committee on Education and Labor placed the responsibility for formal training under this bill in the hands of our friends of vocational education, who have had 40 years of experience in educating and training people for the vocations.

In my State, vocational education has done fine things—it is conducted by fine teachers and fine administrators. The only trouble with vocational education in Alabama is that there is not nearly enough of it. We do not have enough money to get the equipment and to compete with industry for teachers to furnish sufficient up-to-date training to the many people who could use it, and who desperately want and need it.

There are some in this great body who might have doubts about the wisdom of a comprehensive nationwide program of vocational training. Let me assure them on this score. The backlog of training to be done is so great that they need have no fears if this program were three times the size now proposed by the administration. Let me assure them that between training our unemployed

people of all ages and upgrading the skills of those who are now working, there will be no problem of spending the money both wisely and usefully.

The State of Alabama can well use the \$5 million provided by this bill in the next 2 years. One-third of this sum will be available for equipment, teachers' salaries, and the other expenses of vocational education which as the Members of this body know has been supported by the Federal Government ever since 1917 when the Smith-Hughes Act was passed. The remainder of the funds will be available for providing allowances to tide over the unemployed person while he completes his training.

Mr. Chairman, I want to propose one amendment which I think will strengthen the bill. Alabama is an agricultural State. Many of its people are farmers who are not earning a good enough living. There are 79,724 rural farm families in my State whose total annual income is \$1,200 or less. Of these families, 4,110 live in my Seventh Congressional District. This is not just an Alabama problem. There are 1,624,505 such farm families in the United States today. But where the national figure represents 12 percent of the country's farm community, the figure for my district represents 27 percent and the Alabama figure indicates that a total of 23 percent, nearly one-third, of our farm families earn less than \$1,200.

These people are not unemployed the way a city dweller is when he has no job. But actually, this meager farm income is so small that the farmer's condition amounts to unemployment. Where the net family income is less than \$1,200, it is my view that such a person should be considered unemployed. The change which I propose will permit farm workers to prepare themselves for jobs in their local communities and thus supplement their farm income. The Senate-passed bill contains language so providing and I am told that such an amendment to this bill is acceptable to the administration and to the chairman of the subcommittee, the gentleman from Pennsylvania [Mr. HOLLAND], who has worked so diligently and so worthily and so effectively on this bill.

I therefore propose the following amendment:

At the end of section 202(a), on line 10, page 7 of the bill add the following: "Workers in farm families with less than \$1,200 annual net family income shall be considered unemployed for the purpose of this Act."

Mr. O'HARA of Michigan. Mr. Chairman, I yield 10 minutes to the gentleman from Kentucky [Mr. PERKINS].

Mr. PERKINS. Mr. Chairman, the so-called Goodell bill, H.R. 10363, is primarily the original Holland bill, except that it does embody parts taken from the Senate bill, such as the priority provisions in that bill, which I personally feel will improve the Goodell proposal and the substitute to be offered by the gentleman from Pennsylvania [Mr. HOLLAND]. But, the gentleman from New York [Mr. GOODSELL] also goes to the Youth Opportunities Act to take another provision, and that is on-the-job training for the youth.

Mr. Chairman, there are three titles in the Youth Opportunities Act. Title I provides for on-the-job training. Then there is the public service employment title, and the Youth Conservation Corps. It was our hope, of course, when we were studying the Youth Opportunities Act last year, and we felt at the time that we would get the Youth Opportunities Act to the floor prior to the retraining bill. But since the retraining bill has been brought to the floor first, naturally it makes good commonsense to put all of the retraining programs together.

Mr. Chairman, I hope I may be able to help clear up some way, somehow, where this question of authority should be lodged, and why it should be lodged in the Secretary of Labor. We have got to have a concentration of authority. We have more than 1 million youths today between the ages of 16 and 22 years who are unemployed, who are dropouts from high school, and from the grade schools. Many of these dropouts, these teenagers, that this bill provides for have dropped out of vocational educational schools. Would it not be ridiculous to try to require these youngsters to go right back to a place from which they had already dropped out?

It is natural that we have other provisions to take care of such youngsters, such as on-the-job training. We feel that good work can be done under this particular provision. Many of us remember the NYA days where hundreds and hundreds of thousands of youths between the ages of 17 to 22 were trained on the job and took their places in defense plants, having been trained as machinists, trained as stonemasons, welders, woodworking, and in many other trades.

Since the Department of Labor has the very definite responsibility, under this legislation, for determining manpower needs and the responsibility to screen, counsel, and select the people to be trained or retrained, they certainly should have the right to enter into contracts with HEW in connection with retraining. I may say that during World War II the Manpower Commission at that time determined the skills needed and they selected the people and referred them to various industrial establishments for training, as well as to the public vocational schools of America. This is not any precedent in any sense of the word.

So I think the committee has acted wisely in placing this authority in the hands of the Secretary of Labor because not only the youngsters, but the people trained or retrained always visit those State employment offices to ascertain information about employment. These unemployed expect the employment offices to have the answers.

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

Mr. PERKINS. I yield.

Mr. LANDRUM. Am I to draw from the statement just made by the gentleman from Kentucky that he favors the incorporation of all the vocational training in this country under the Secretary of Labor?

Mr. PERKINS. No; and I did not state that. I do not believe that. I

think the vocational training programs are working fine. We are not interfering with the vocational educational programs.

We are only following standard procedure in this legislation. For instance, under the GI retraining program, hundreds of thousands of veterans were referred to the vocational educational schools by the State approving officer for the Veterans' Administration. When the Governor failed to name an approving agency for the Veterans' Administration, the referral was made by the regional office of the Veterans' Administration.

There has been no mixup there. The Department of Health, Education, and Welfare agreed to this bill and agreed to all the provisions in this bill.

Mr. LANDRUM. Mr. Chairman, if the gentleman will yield further, you are creating new authority in the field of vocational education in the Secretary of Labor, authority that he has not had and that has heretofore been lodged in the Department of Health, Education, and Welfare.

Mr. PERKINS. There is no transfer of any authority. It just gives the Secretary of Labor the right to enter into contracts concerning training and retraining with the Department of Health, Education, and Welfare. That has been true with other agencies for many, many years, primarily during World War II and since.

Mr. Chairman, this is another point I would like to make: whether the people to be retrained really want this bill. I for one, know that this is not a cure-all. In many areas in my section we need a public works program. In one of my counties we have some 12,000 unemployed. Some 3,100 of them today are drawing unemployment compensation. There are more than 3,000 exhaustions and some 6,000 of those, mostly miners, have not had employment for many years. But right across from Pike County, Ky., in Mingo County, W. Va., they have a training program under the Area Redevelopment Administration—a county about half the population of Pike County—and they can only train 200 people in the trade school there, but they have 964 men who have come in and applied for training. And this is right across the river from the county that I am talking about. This clearly demonstrates the great demand for training.

Not many years ago 25,000 men in the district that I represent earned a living from the mining of coal—today that figure is down to 10,000 even though the amount of coal being mined is about the same. The 15,000 who watched machinery take their jobs have been fighting adversity. They do not have the skills which employers require. Most of them want work, but they look for work under a terrible handicap. The bill we are debating today offers some of them hope. It offers training to those of them who can get benefit from such training. It offers it to them in the form of courses which are considered likely to provide jobs, and it offers them this training with enough weekly financial aid so as to permit completion of the courses.

The bill's passage will be a great day for vocational training. It provides some funds for on-the-job training to the extent that employers will find it feasible. But the greater part of the training money will go to vocational training—the kind of shop work, the kind of experience on modern machinery which is available at Mayo Technical Trade Schools in Ashland, Hazard, and elsewhere in the Nation. The bill will thus provide vocational training at an increased scale, \$4½ million in Kentucky alone. As in other vocational training programs now supported by the Federal Government, this money will be expended for teachers' salaries, new equipment, the rental and renovation of buildings.

Mr. Chairman, I welcome the opportunity of speaking on behalf of a program which will mean so much to the people. I commend the administration for its leadership in bringing hope to our unemployed and in showing the way to a new era for vocational training.

Mr. POWELL. Mr. Chairman, I ask unanimous consent that a letter from the Secretary of Labor, Mr. Goldberg, addressed to the chairman of the Committee on Education and Labor of the House, be inserted at this point.

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

There was no objection.

Mr. POWELL. Mr. Chairman, the letter referred to is as follows:

U.S. DEPARTMENT OF LABOR,
OFFICE OF THE SECRETARY,
Washington, D.C., February 28, 1962.

HON. ADAM C. POWELL,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN: The amendments to H.R. 8399 in the proposed Holland substitute include certain language of which the purport is to transfer title I of H.R. 8354 to H.R. 8399. Title I of the administration's Youth Employment Opportunities Act (H.R. 8354) would authorize an annual program of training the first year for approximately 25,000 youth between the ages of 16 through 21.

The proposed amendment leaves to the discretion of the Secretary of Labor the proportion of training services available to such young people. In order to assure those who have devoted their interest and energies to the growing problem of 1 million out-of-school and unemployed youth, I want to make clear that it will be my intention to make available sufficient moneys authorized by H.R. 8399 as amended for training at least 25,000 young people the first year and 33,000 in subsequent years. The number of young people aided by the bill might exceed this number. I have assumed that appropriations will be made available at a level contemplated by the bill.

I will appreciate your making this letter a part of the legislative history of this bill.

Yours sincerely,

ARTHUR J. GOLDBERG,
Secretary of Labor.

Mr. GROSS. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Seventy-six Members are present; not a quorum. The Clerk will call the roll.

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

[Roll No. 24]

Ashley	Harrison, Va.	Powell
Auchincloss	Harsha	Rains
Bennett, Mich.	Hébert	Saund
Bolling	Hoffman, Mich.	Scherer
Broyhill	Kitchin	Smith, Miss.
Buckley	Kluczynski	Steed
Clark	Lipscomb	Thomas
Cooley	MacGregor	Thompson, La.
Davis, Tenn.	Madden	Tupper
Dawson	Magnuson	Ullman
Fallon	May	Weaver
Fisher	Morrison	
Gialmo	Multer	

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. MAHON, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 8399, and finding itself without a quorum, he had directed the roll to be called, when 395 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. The gentleman from Kentucky [Mr. PERKINS] has 1 minute remaining.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman.

Mr. SMITH of Iowa. Mr. Chairman, the gentleman indicated that only 200 out of 900 applicants under retraining under the depressed areas bill were receiving training in Kentucky. Will the gentleman explain why?

Mr. PERKINS. Certainly, the retraining program that I referred to was across the Tug River from the district that I represent, in Williamson, W. Va.

Under the ARA program the training is very much limited, and it has to be limited to that particular area where you have this high unemployment rate. Besides, the amount of funds involved in the ARA training or retraining program is only \$4.5 million.

The manager of the Williamson local employment office told me over the telephone that 964 individuals had made application for training and at the most only 200 could be trained. I think this within itself clearly demonstrates the need for an expanded training and retraining program. Practically all of the 964 individuals who made application for training were unemployed coal miners.

Mr. Chairman, in conclusion, I do want to state that I do not know of any vocational leaders in the country who are not wholeheartedly supporting this bill.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. GOODELL. Mr. Chairman, I yield 10 minutes to the gentleman from Missouri [Mr. CURTIS].

Mr. CURTIS of Missouri. Mr. Chairman, I want to commend this subcommittee under the chairmanship of the gentleman from Pennsylvania [Mr. HOLLAND] for the very fine work that they have been doing, and in particular coordinating the various areas that this bill touches on. I say that with real

concern because this does touch on one of the jurisdictions of the Committee on Ways and Means which considers unemployment insurance.

I am most pleased to state that among the amendments offered by the gentleman from New York [Mr. GOODELL] will be found the provision in regard to the unemployment insurance systems in the States so that this program will not interfere with or in any way damage them. I am looking to see if the chairman of the Committee on Ways and Means is in the Chamber. This matter has been cleared with the gentleman from Arkansas [Mr. MILLS], together with myself and the gentleman from Wisconsin, Congressman BYRNES, and others on the Committee on Ways and Means who are concerned with it. I do want to say my interest in this legislation goes way beyond the aspects of the unemployment insurance program. This has been a matter of constant concern to the Joint Economic Committee. I am happy to state that this bill and this concept is the approach I take in regard to the real problem of unemployment, which is that it is essentially a matter of frictional and structural unemployment and not a matter of cyclical and what I term to be the concept of the Keynesian economists who say that this unemployment can be solved through massive Federal expenditure programs. Indeed, I think the work that this subcommittee has done points up very pointedly the area just where it needs to be pinpointed and it is a matter of rapid economic growth, automation we call it, where skills are made obsolete very quickly and where it is concentrated among the unskilled and semiskilled workers, and that this job of retraining I might say is not a simple one—it is not just a question of matching the unskilled and the semiskilled unemployed person with the new skills that technological advancement creates because you are not going to take the displaced cotton picker or the displaced ditch digger and train him for these higher skills.

What is happening is that a person with a job retrain or studies at night to learn a higher skill so he moves over into that higher skill leaving a job open for someone down the line to upgrade his skill. This is a very difficult and complicated matter that this bill is directing its attention to with reference to this basic problem of retraining. Essentially the point needs to be made that automation and rapid technological advancement actually creates more jobs than it displaces. But the human element involved is the thing that makes it difficult for us as legislators to meet, because an unemployed person or a displaced skill is related to a human being and it involves all the human problems while the newly created job—which, incidentally, is going begging because we are not filling the jobs we need to fill—is not related yet to a human being and therefore we do not have it calling out in this fashion. Lest anyone think that these thousands of jobs that are going begging are not in existence, test your-

self with your own newspaper and look at the want ads, particularly on Sunday where you will see the want ads showing skills that are going begging. Take the New York Sunday Times of this last Sunday or of any Sunday. You will find column after column and page after page of people advertising for the skills that are needed in our economy. Actually our unemployed are our greatest resources to fill these skills that our society needs.

One of the points brought out by the gentleman from New York [Mr. GOODELL] very ably and also by the gentleman from Georgia [Mr. LANDRUM] when he was pointing out this problem of the jurisdictions of vocational education which is in the Department of Health, Education, and Welfare, and on-the-job training and apprenticeship training which is in the Department of Labor, one of the tragedies has been over the period of years that our two Departments most concerned in this area have not been doing their job and vocational education has gotten to the point where much of it is training people in skills that are already obsolete.

The committee hearings bring this out to some degree; but the point of this lies here: Secretary Ribicoff in testifying before the Ways and Means Committee just 2 weeks ago in regard to revising our welfare program, pointed out the great need, he said, to have schools in the field of social work, not just the college graduates, I might add, to function in the field of social work. I asked the Secretary: "What are you doing in your vocational educational program toward attracting people to take jobs, to go out and become technicians in this field?" And Secretary Ribicoff made this remark, and I was pleased to hear it; he said: "After some of our previous discussions on this we are completely revising and studying in depth the entire field of Federal vocational education." This is a program, I might state, which dates back to 1917. This is nothing new. This is a program that has been in existence along with the other bill which became law in 1946. So a great deal of work has to be done by the Department of Health, Education, and Welfare in this tremendous area of vocational education.

Likewise, the Department has not been doing an adequate job in developing its dictionary of skills. That was brought out during debate on the floor when the rule was under consideration. I believe the gentleman from Kansas [Mr. AVERY] demonstrated the inadequate list of skills that has been compiled to date by the Department of Labor, highly inadequate. The job is not being done.

But the point of this bill and the key to this bill, in my judgment, is the requirement that both of these Departments report back—this is found on page 20, section 504(a)—both the Secretary of Labor and the Secretary of HEW shall report to the Congress prior to March 1, 1963, on what they have done in developing their programs, so that they know what they are doing and requiring, and the coordination of these two Departments on the scene.

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

Mr. CURTIS of Missouri. I yield.

Mr. LINDSAY. I am wondering how we can know what the needs are or may be until after the studies have been completed.

Mr. CURTIS of Missouri. Their program cannot go forward, of course, until they have appropriations. They have got to go to the Appropriations Committee and will have to take with them some adequate studies on the program they wish to implement.

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

Mr. CURTIS of Missouri. I yield.

Mr. SCRANTON. I would just like to commend the gentleman. It developed during hearings in our committee on area redevelopment and the consideration of this program from the Federal standpoint that it was extremely necessary to make provision for retraining, more provision than is presently made by either of these Departments. Particularly was this true in the larger urban areas.

I want further to commend the gentleman on the fine leadership he took in the last session of Congress in developing Operation Employment which was a major forerunner of this legislation.

Mr. CURTIS of Missouri. I want to thank the gentleman and at this time take occasion to call attention to what I thought was the splendid work done by around 60 Republican Congressmen in this Operation Employment in trying to study in depth some of these problems and getting the aid of people in the academic field to prepare papers.

Mr. RHODES of Arizona. Mr. Chairman, will the gentleman yield?

Mr. CURTIS of Missouri. I yield.

Mr. RHODES of Arizona. I am glad that the matter of Operation Employment has been revealed on the floor, because the gentleman who now holds the floor, in my opinion, did one of the outstanding jobs done by any Member of the House in promulgating this particular study.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. GOODELL. Mr. Chairman, I yield the gentleman 5 additional minutes.

The CHAIRMAN. The gentleman from Missouri is recognized for 5 additional minutes.

Mr. RHODES of Arizona. Mr. Chairman, will the gentleman yield further?

Mr. CURTIS of Missouri. I yield.

Mr. RHODES of Arizona. The gentleman from Missouri put forth tremendous effort in exploring a question as important as any I have seen.

I want to particularly compliment the gentleman from Missouri and to make the observation I am sure he feels rather good today that so much of the study which he sponsored and the conclusions to which he came are in the bill now before the House.

Mr. CURTIS of Missouri. I thank the gentleman.

There was a lot of good work done by a lot of people.

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

Mr. CURTIS of Missouri. I yield to the gentleman from New York.

Mr. GOODELL. I also would like to commend the gentleman for his leadership. In fact, many of my amendments were derived from the very solid statement he made after the study, and they have been incorporated in the substitute which will be presented tomorrow. I think the gentleman from Missouri can take considerable credit for this substitute.

The gentleman also referred to the requirement for reporting within a year. I would point out that the substitute which will be presented tomorrow specifically adds to the other report provisions that were in the previous bill, requiring that reports include the number of individuals trained and the number and types of training activities under this act, the number of unemployed or underemployed persons who have secured full-time employment as a result of such training, and the nature of such employment. That is spelled out in the bill specifically. They must report in detail and that report must also be made in 2 years, 1 year after enactment and 2 years after enactment.

Mr. CURTIS of Missouri. I appreciate the gentleman's statement, and I want to commend the gentleman from New York for the great work he did. I am so pleased these amendments are being accepted.

If I may turn again to the other side of the aisle and to say to the chairman how much I appreciate the cooperation the chairman gave to those of us who were trying to work on this, and the fact he has been working in this field so many, many years with great results. It could only be achieved with your patience and understanding, and I thank the gentleman.

Mr. LINDSAY. I should like also to commend the gentleman for his leadership in this field. I think the gentleman was one of the advance guards in this area in recognizing that this is possibly the most important domestic problem in the United States today. The gentleman from Missouri was one who led the fight in approaching the problem, and I should like to commend the gentleman for the excellent work he has done on this particular bill.

Mr. CURTIS of Missouri. There is one thing I am sorry is not in the bill. I spoke to the gentleman from Pennsylvania [Mr. HOLLAND]. Of course you cannot do everything.

I want to point out the importance of coordinating this whole program with the tremendous operation going on under the Department of Defense—the Army, Navy, and Air Force—in this entire field of training. Billions of dollars are being spent presently in this area with very little coordination. A great deal of this work is really of a civilian nature. We must move forward to bring about a better coordination.

I would like to mention three other areas where we ought to do something.

One is in connection with the unemployment insurance program. I am happy to state that now I think it is 16 States have turned this thing around so that a person is not removed from the unemployment insurance rolls when he re-trains. Actually it should be if a person who has an obsolete skill refuses to re-train that he goes off of unemployment insurance, but certainly we should not have a deterrent to people retraining.

The second area is in the tax field. Actually, our tax laws discourage people from upgrading their skills because they are not given the cost of this training as a business deduction. If a school-teacher, for example, goes to summer school because her school board tells her she will be fired if she does not, she can take this as a business deduction. But someone who goes to upgrade their skill cannot take it. We need to revise our tax laws and fix them to meet the mobility of labor. Under our tax laws, a worker's residence is where his job is. A worker's residence actually is where his home is, because 80 percent of our working people own their own homes. When he has to travel to another area to follow his job, he should be permitted, just as Congressmen have the right, to deduct the cost of maintaining two establishments. Certainly he should not have his per diem charged as income which the present tax laws require.

These are areas that still need further development and where the Federal Government is actually impeding its progress.

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

Mr. CURTIS of Missouri. I yield to the gentleman from New York.

Mr. HALPERN. I want to commend the gentleman from Missouri on the superb work he has done in this field, and I want to compliment my colleague, the gentleman from New York [Mr. GOOD-ELL] for his perspective and intelligent grasp of this unique problem and the great contribution he has made to this legislation.

Mr. CURTIS of Missouri. I thank the gentleman.

Mr. HALPERN. Mr. Chairman, I ask unanimous consent that the gentleman from Nebraska [Mr. MARTIN] may extend his remarks at this point in the RECORD.

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

There was no objection.

Mr. MARTIN of Nebraska. Mr. Chairman, under the Area Redevelopment Act passed by the Congress last year, a retraining program was included with \$4 million appropriated for retraining and \$10 million for the payment of weekly allotments to the unemployed. This program has been approved by the Area Redevelopment Administration for 35 communities in 14 States from Rhode Island to Montana.

The first three areas to set up programs, Huntington, W. Va.; Ansonia, Conn.; and Providence, R.I., have enrolled only 342 jobless persons for retraining.

I must report to the House that, from the experiences of these areas thus far, the retraining program has not been too successful. Three major problems have arisen:

First. Reluctance on the part of many jobless persons to retrain for new skills.

Second. The inability to retrain for new skills those who need jobs the most.

Third. The problems of finding jobs for some of those who have been re-trained.

Under the Area Redevelopment Act these people are trained from 2 to 16 weeks, in 30 skills, and courses have been given in fields ranging from waitresses to machinists. The primary reason, to my mind, that the program has not been successful is due to the fact that it does not get to the causes of unemployment. If a doctor treats a patient's symptoms without first ascertaining the causes of the illness, the chances are that the patient will not be cured. This is the case with the retraining program.

The Huntington, W. Va., program was the first to be authorized by the Area Redevelopment Administration—\$135,000 was allotted. First, a complete survey was made in Huntington of the skills needed in the area. Post cards were sent to 1,015 hard-core unemployed—those unemployed longer than 1 year. Only 640 replies were received, and of this number, only 240 qualified for retraining. The major problems encountered with these people were inadequate education, unsuitability for retraining, and lack of interest. Many participated in the program simply to draw the weekly financial payments which were the same as those drawn from unemployment insurance, and they were primarily interested in this angle. The placement problem for graduates of the courses was a stumbling block, as witnessed by the fact that a survey indicated there was a demand for nurses' aids. Three 4-week courses for nurses' aids were set up with 43 graduates. In the meantime, however, most of the jobs were filled, and, up to this date, only 10 of the 43 have been placed in jobs.

Oscar Duff, a West Virginia State employment officer, stated:

The act provides subsistence payments for only 16 weeks of training. What can you do in this time? If you did lengthen the training period for more than 16 weeks, I think many people would stop attending when the payments stopped coming in.

The bill which we have before us provides for 52 weeks of payments. I am fearful that, if enacted, many people would sign up for retraining courses simply to draw their weekly allowances for 52 weeks instead of the 39 weeks as provided under the Unemployment Insurance Act. Since many people have inadequate backgrounds of education to take the retraining courses, another bill has been introduced which is now being considered by the House Education and Labor Committee. This new bill is called the illiteracy bill, and would provide educational courses for those who cannot read or write or whose education stopped at the sixth grade or earlier. Consequently, you can see that one pro-

gram simply brings about another, like a snowball gathering particles rolling down a hill and growing ever larger and larger.

This problem of retraining is one to be handled at the State and local level and not by the Federal Government, with matching funds, which forces the States to increase the size of their budgets and to take a bigger tax bite from its citizens.

In view of the fact that the results of the retraining program under the Area Redevelopment Act have not been successful, and do not get at the causes of unemployment, I am opposed to the enactment of this legislation.

Mr. McDOWELL. Mr. Chairman, I rise in support of H.R. 8399, the Manpower Development and Training Act of 1962.

In his message on the state of the Union, President Kennedy said:

Our Nation is commissioned by history to be an observer of freedom's failure or the cause of its success. Our overriding obligation in the months ahead is to fulfill the world's hope by fulfilling our own faith.

That task must begin at home. For if we cannot fulfill our own ideals, we cannot expect others to accept them. And when the youngest child alive today has grown to the cares of manhood, our position in the world will be determined first of all by what provisions we make today—for his education, his health, and his opportunities for a good home and a good job and a good life.

President Kennedy has repeatedly stressed to the Congress and the Nation that one of the most important objectives of this country is to seek a fully employed society with public and private activities geared to progress. But a new urgency now confronts our people; the United States and other industrialized countries of the free world are in the midst of the second industrial revolution. The first, which created modern society, replaced human and animal muscles with power-driven machines; the second, commonly known as automation, has created a new era in technology by the mechanization of thought processes and also muscle functions. The products of automation now make actual decisions, hitherto the exclusive ability of the human operator.

The benefits automation will bring to the United States and other parts of the world are incontestable. Chemists, physicists, and electrical engineers are compounding new materials and creating versatile new devices that can equip electronic machines with abilities that are comparable to those exercised by living organisms. In the newly christened field of bionics, our scientists study living systems found in nature for clues that can be helpful in developing machines that can "see" and "hear" and then interpret what they perceive. President John L. Burns of the Radio Corp. of America in a recent address at the California Institute of Technology pointed to bionics as a prime example of the increasing collaborative effort in science which holds more promise for human benefits than any temporal force at work in our civilization today.

Automation's benefits are not confined to production alone; the gains made possible by office automation—essentially electronic data processing—are at least as striking. But our society is more than technological—it is human, and the human implications of automation are of increasing concern to industry, to government, and to every American whose job on the production line and in other workplaces has been substituted by a bank of electronic transistors. Labor Secretary Goldberg recently said, and I concur:

One of the challenges we are now confronted with is to see that we automate completely and fully, and at the same time devise programs so that human values are preserved.

One of the big problems of this administration is to help set up programs so that, on the one hand, we get the full potential of automation and, on the other, safeguard against hardships that happen to individuals and to families when automation takes place.

The automation revolution began, unperceptibly and at no exact date, with a piling up of changes and step-by-step increases in mechanized operations and mechanized controls. After World War II, with widespread and accelerating use of the computer and other electronic brains, the lessons from our new technology in the 1950's were merely the fundamentals of much more complex problems for the 1960's. The lessons of the 1950's are now clear; while the labor force was expanding at an average rate of about 800,000 workers a year, our economy with new technology and improved efficiency failed to absorb both the new workers and the work needs of those affected by automation. The labor force increased by 6.5 million workers from 1953 to 1960, yet employment rose by only 4.5 million. This failure to adjust to a new force, combined with an unduly slow rate of economic growth, added 2 million more people to the ranks of the unemployed. The twofold task—to speed growth and provide specific adjustments—was not met in the 1950's.

Mr. Chairman, automation's effect on the basic segments of our economy during the last 10 years promises to spread rapidly to all aspects of our economy and society. What principally affected the miner, the railroader, and the factory worker in the 1950's has now reached the skills and job opportunities of the office workers, the government employee, the laboratory technician, the salesman, and even the law clerk, the mapmaker, the bank employee, and the roadbuilder will feel automation's impact.

America started the decade of the 1960's with the highest level of production, employment, and purchasing power in its history—but this decade also started with high jobless rates, large numbers of distressed communities which suffer from shifts in industry location and changes in new technology, and economic expansion too slow for the economy's needs. The growing problem of adjustment for older workers also takes on new form in a technological world. Moreover, few communities, rural or urban, are free of unemployment

among the young—a problem complicated further by the growing number of high school dropouts who have little or no opportunity to obtain even a scarce unskilled job. It is indeed tragic that one-fifth of the 10 million students now enrolled in the 9th through 12th grades in our educational institutions will reportedly leave school before graduation. This problem, serious as it is, can become alarming if authorities are correct in estimating the number of dropouts in the next 5 years at 7½ million.

Within a healthy, growing economy, the American people should be able to plan and execute in a democratic fashion specific adjustments to automation at every level, through public and private efforts. Government, business, labor, and academic groups have started searching for answers. As the Holland Subcommittee on Unemployment and the Impact of Automation recently found, "it is the responsibility of the Government to create conditions conducive to economic expansion." Leaders of large corporations such as General Electric and General Telephone & Electronics testified that it is the responsibility of the Government to identify those trends which will create chronic unemployment problems in the future and to participate in the solutions. Both industry and Government have a recognized responsibility to help families in periods of transitional unemployment.

There have been successful efforts by labor and management acting jointly to bring about more effective adjustments to automation. This common responsibility to ease the transition, to make provision for workers inevitably displaced from their jobs is reflected in the growing number of automation funds being established in certain industries to investigate and provide improved methods of solving automation and relocation difficulties. On the industry-union level, agreements which provide for worker retraining have been reached by, among others, Armour & Co. and the United Packinghouse Workers and Amalgamated Meat Cutters; by the Kaiser Steel Corp. and United Steelworkers; and by the Pacific Maritime Association, which represents west coast shipping companies, and the International Longshoremen.

But these collective bargaining efforts and agreements are limited in that they deal with the problems of production workers in a single industry or in a single plant and who are retrained after new machines are installed—they do not solve the long-range problems of those employables displaced by new machines. A second drawback is that collective bargaining responsibilities cannot resolve the problems of those not yet employed or those workers whose potential employability has been greatly reduced by the new process' overall effect on employment or skill requirements. Consequently, the rest of society must be willing to assume responsibility at various private group and governmental levels for problems that reach far beyond the individual workplace and industry.

The Holland subcommittee report, "Impact of Automation on Employment" and the report of hearings held by the Subcommittee on Unemployment and the Impact of Automation of the Committee on Education and Labor of the House of Representatives in June 1961 provide ample evidence of the congressional concern for deep-seated joblessness and rapid changes in our industrial structure. President Kennedy's Committee on Labor-Management Policy established about a year ago to advise him on policies of economic growth and industrial relations also submitted recommendations on January 11, 1962, aimed at developing automation and other technological advance while at the same time increasing jobs and protecting workers. This Committee is composed of seven foremost labor leaders, seven corporation executives, and five public members. One of the members, Dr. Clark Kerr, president of the University of California, hailed the Committee's report as "the most comprehensive statement ever made as to private and public policy" on the problems of automation and full employment.

While the White House Conference on National Economic Policy scheduled for this summer will have an opportunity to read and study the Committee's report on automation and cybernation, a real leap forward is needed, now, not only to make up for the gap from the past but to provide for the quickening pace, the widening scope of the new technology. What is not automated today may be mechanized further and jobless workers will be just as unemployed, whether the academicians call it displacement or unemployment, whether its cause is mechanization or automation. Tomorrow's workers will require training for tomorrow's jobs, but the training must start today.

The programs that H.R. 8399 seeks to establish should be given an opportunity to meet this important and pressing domestic problem without further delay. Similar legislation has already passed the Senate, after lengthy hearings, on August 23, 1961.

Mr. Chairman, this is constructive legislation and I strongly urge its adoption by the Members of this House.

Mr. GOODELL. Mr. Chairman, I ask unanimous consent that the gentleman from Minnesota [Mr. QUIE] may extend his remarks at this point in the RECORD.

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

There was no objection.

Mr. QUIE. Mr. Chairman, chronic structural unemployment has been a problem which our country has faced almost continuously since the last war. In my home State of Minnesota there is a graphic example of this—the Iron Range of northern Minnesota. As I have watched the situation in that area I have become aware that steps must be taken to solve our problems—not just ease the pain caused by those problems nor postpone the day in which we must face up to the truth of those problems.

This is not a question of our States neglecting the problem of chronic unemployment. Many people at the State level of government are working hard to find a solution. Again, to use my home State as an example, Governor Andersen, of Minnesota, is providing admirable leadership to remove unemployment and to restore a more favorable competitive position for our American iron ore industry.

Within the realm of Federal responsibility, the present short range programs—such as providing adequate unemployment compensation—are desirable in alleviating the situation.

More important is that we develop long range programs aimed not only at lessening the results of our economic problems but also designed at removing the sources of these problems.

As a member of the House Committee on Education and Labor I have supported and will continue to support Federal aid for the retraining and relocation of unemployed workers. I believe that the question we face today is how we will arrive at the best bill to provide this retraining and relocation of workers.

Workers who have lost jobs because of basic changes in the economy must be encouraged to learn other skills which are in demand. We must not abandon those workers with obsolete skills to carry the burden of technological change alone.

The majority of these workers had no control over the economic shifts which left them unemployed with unwanted skills. They also lack the necessary resources for retraining. Added to these factors is a third and most important reason for Federal aid. Our national economy is presently losing the productive services of these workers.

The home communities of the retrained cannot be expected to carry the full load when, after new skills are developed, employment may be found in other areas and perhaps in other States.

If a retraining bill is passed it must be carefully coordinated with private, State, and local efforts to solve the problem. In particular, the training allowance provision must be made to dovetail with the present unemployment compensation system.

This, the Goodell substitute bill, would insure by requiring the States to match Federal funds in paying the retraining allowances as quickly as possible and by providing reimbursement to State unemployment compensation funds which would permit training while a worker collects unemployment compensation.

The Goodell substitute also provides needed provisions to insure that those people most needy receive retraining funds and that the retraining funds are not misused.

It is my privilege to serve with the gentleman from New York [Mr. GOODSELL] on the Education and Labor Committee. Mr. GOODSELL's keen grasp of this problem as it came before the committee and his hard work in drafting his retraining bill has greatly impressed me. The gentleman from New York [Mr. GOODSELL] is to be commended for his efforts and contributions.

During the past few weeks there has been much discussion of expanded American foreign trade and of how the transition to freer trade can be made a smoother one. All of this talk has centered around the competitive position vis-a-vis the rest of the world.

Legislation providing for the retraining and relocation of workers would do much to enable us to compete more favorably with the rest of the world. Retraining of workers would not simply postpone the day when certain American products can openly compete with European goods as would be the effect of import quotas. Rather retraining would act to improve our competitive position today.

Retraining of workers is an example of positive and progressive Federal action at its finest. For this reason I heartily support the bill.

Mr. O'HARA of Michigan. Mr. Chairman, I yield such time as he may desire to the gentleman from California [Mr. COHELAN].

Mr. COHELAN. Mr. Chairman, I rise in support of this important legislation which would help the workers of our Nation adjust to the problems which are created by automation and rapid technological advances; legislation which would provide for the effective development and use of our Nation's manpower resources to meet the skill requirements of our highly advanced and constantly changing industrial society.

There is no question in my mind that one of the most serious domestic challenges confronting us in the 1960's is to achieve full employment in the face of a rapidly expanding labor force and the continued displacement of workers by automation.

We can, of course, take satisfaction that the seasonally adjusted rate of unemployment in January of this year dropped below the 6-percent level for the first time since September of 1960. We must take cognizance of the fact, however, that the number of long-term unemployed—those who have been out of work for 15 weeks or longer—has not changed from last January's total of 1,250,000, and that 700,000 of these workers have been out of work for more than 6 months.

Mr. Chairman, this problem of long-term unemployment is especially severe among the nonwhite elements of our labor force, and this is a matter with which I am greatly concerned. As the Department of Labor's figures for the month of January 1962 indicate, 10.8 percent of our labor force is composed of other than Caucasians—28.7 percent of this group, however—a disproportionately high level—has been seeking work for 6 months or longer.

This problem must be dealt with for it is a cause of severe personal suffering as well as a serious loss to our total national effort.

There is agreement among those who have studied this matter, as the Committee on Education and Labor has stated in its excellent report accompanying this bill:

That a substantial proportion of our unemployment exists because idle workers do

not have the skills necessary to enable them to undertake existing jobs. Many hundreds of thousands of unemployed lack the skills which are needed in our present-day economy. Unless these people acquire new skills, their unemployment will persist even when recovery from the present recession is completed.

Mr. Chairman, there can be no doubt that the labor force of this country is our most valuable productive resource. I urge my colleagues therefore, to support this constructive and urgently needed manpower development and training legislation which would enable us to more effectively utilize this resource; legislation which would improve the skills and adaptability of our Nation's workers through a continuing assessment and review of our manpower needs, and through broadly based programs of training and retraining which would match workers' skills with needed jobs.

Mr. O'HARA of Michigan. Mr. Chairman, I yield 10 minutes to the gentleman from New Jersey [Mr. JOELSON].

Mr. JOELSON. Mr. Chairman, as a member of the subcommittee which studied the impact of automation on the economy, I am very pleased to urge support of the bill under consideration. Of course, it is not the entire answer to our unemployment problem, but I think it is the key factor in the solution, and perhaps may be the cornerstone.

Now, this bill is not a radical departure from anything that we have known. It coordinates the work of two agencies that are most concerned with training for manpower objectives: the Department of Labor and through it the State and local employment service offices, and the Department of Health, Education, and Welfare and through it the State and local educational and vocational agencies. It is in this area that the Department of Labor and the local employment services will play their traditional role of determining skill needs, employment opportunities, labor supply, and then providing the necessary job placement services. After the worker has been selected for training, the Department of Health, Education, and Welfare will then come into play with the vocational and on-the-job training program.

I think we ought to emphasize that what we are going to deal with here are local programs. The testing, counseling, and placement of trainees will be done through the local public employment service offices. Vocational training will also be handled through the local and State vocational and educational agencies.

Now, we have three key considerations here: First, we are going to have an accurate determination of the areas in which there is need for workers; secondly, careful selection of the persons to be trained; and, third, a reasonable expectation of placement.

The bill would provide training allowances up to 52 weeks at what is the average unemployment compensation allowance. This is only as it should be, because you cannot expect a man who is unemployed due to the fact that his factory has moved away or shut down or

who has been automated out of a job to undergo the cost of his own training.

This bill will also provide travel allowances. Rather than going through the expense of setting up training centers in every little area, this bill provides, within certain limitations, that somebody who takes advantage of this training will be able to get some kind of an allowance for travel and subsistence, if necessary, to improve his skill so that he can improve the lot of himself and his family.

Of course, there is the cost factor here. It is \$262 million over a 2-year period. But, when you consider the cost to our economy of continued chronic unemployment, the loss in purchasing power, and the loss in Government revenues, you will see that this is a very meager investment to make in order to gain full employment and an economy that is really rolling.

We have other programs, it is true, but the area redevelopment program takes care of distressed areas. We want to do something for this country before we have too many depressed areas, and we should not rely on the area redevelopment program as the solution to our national retraining problem.

Mr. Chairman, I say also that we should not rely exclusively on bills to train our younger people, because if a man loses his job at the age of 40 he is in real deep trouble—he and his family—unless he can develop a new skill and get into the job market where there are job opportunities. So for this reason I would urge upon my colleagues the support of this pending legislation.

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

Mr. JOELSON. I yield to the gentleman from New York.

Mr. STRATTON. May I ask the gentleman is it true that in order to get this program going the plan is to get the cooperation from the States?

Mr. JOELSON. Absolutely. This is a plan that depends for its success on the cooperation of State and local agencies which in many cases exists already.

Mr. STRATTON. If the gentleman will yield further, the gentleman mentioned a moment ago the area redevelopment program. Of course, retraining was a feature of that. I was disturbed because in my own State of New York the State government has fallen down in utilizing the retraining features of that bill. I was delighted to see in this legislation that if the State fails to cooperate as the gentleman said, then there is a provision to go over the head of the State government in order to get the program going. I think that is a very necessary feature, if the State governments fail, as it has in the State of New York, to carry this program through.

Mr. JOELSON. We want to give the States an opportunity to help themselves, but if they do not we are not going to sit idly by until the entire country becomes a depressed area.

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

Mr. JOELSON. I yield to the gentleman from Louisiana.

Mr. WAGGONNER. In line with the proposal which has been suggested, if the States do not cooperate in a manner that is satisfactory with the Secretary of the Department of Health, Education, and Welfare, are we to understand that the Secretary has the right to go in and confiscate public property and take over available facilities, facilities that he thinks are necessary?

Mr. JOELSON. No; absolutely no. That is not my understanding of the bill. If it were, I would not support it.

Mr. WAGGONNER. The bill refers to public and private facilities being taken over.

Mr. JOELSON. No. There is no hint or suspicion of confiscation by the Federal Government of any private facilities.

Mr. WAGGONNER. If the gentleman will yield further, it does give the Secretary, if he is not satisfied, that right to go in over their heads, and he could do what he wants to with public and private schools.

Mr. JOELSON. It gives him the right to establish his own program, but it certainly does not give him the right to confiscate any private facility. I do not know where the gentleman got that idea.

Mr. WAGGONNER. I want to say that he can do what he wants to.

Mr. O'HARA of Michigan. Mr. Chairman, will the gentleman yield?

Mr. JOELSON. I yield to the gentleman from Michigan.

Mr. O'HARA of Michigan. When one reads the provision, one should read all of the language, which is as follows:

In the case of any State which does not enter into an agreement under this section, and in the case of any training which the State agency does not provide under such an agreement, the Secretary of Health, Education, and Welfare shall provide the needed training by agreement or contract with public or private educational or training institutions.

Mr. JOELSON. That is right. I assume this refers to on-the-job training programs with local trade associations, businesses, and unions, through voluntary cooperation getting into on-the-job training programs. But as to the fears of the gentleman from Louisiana, although I appreciate their seriousness, I do not think they are well founded.

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

Mr. JOELSON. I would be glad to yield to the gentleman from California.

Mr. ROOSEVELT. Mr. Chairman, I want to congratulate my colleague from New Jersey [Mr. JOELSON] for his very fine statement, and I associate myself with his statement.

Mr. Chairman, I would like to take this opportunity to make a statement in support of perhaps the most important and far-reaching piece of legislation to be presented to the 87th Congress—H.R. 8399—the Manpower Development and Training Act of 1961.

This bill launches a major assault upon one of the most serious and critical problems facing our country today, the problem of increasing unemployment and dislocation as a consequence of automation and other technological and

scientific changes. The proposal recognizes the preeminent importance of this problem and approaches it with an appreciation and an understanding of the national commitment to attain the goals of maximum employment, production, and purchasing power, as stated in the Employment Act of 1946. The bill reaffirms the acknowledgment of the Employment Act that, to achieve the proposed goals, it is essential that there be rapid and continuous technological progress. The legislation further recognizes the continuing responsibility and necessity for the assistance of the Federal Government in the development of policies and programs leading to the development, preparation, and productive use of the Nation's manpower resources in pursuit of our national goals. It insures that the benefits of automation do not become burdens of widespread and severely debilitating unemployment.

The displaced wage earner of today is in a position comparable to that of the migrant Oklahomans of the 1930's. He is the victim of the industrial dust bowls created by automation and technological advances. The displaced worker frequently has no position to return to, and all too often, no position to go on to. He is exposed to the difficult problem of not only finding a new job, but also of finding a new skill and a new employment situation, perhaps in a new industry and in a new community as well.

With the intent of alleviating this disturbing situation, the Manpower Development and Training Act of 1961 proposes a broad and integrated program to assist workers to adjust to the ever-increasing problems of dislocation in the economy due to automation and technological changes. It proposes to go beyond the current and nonremedial subsidization of unemployment to a positive program of formulating and implementing solutions.

We are presently rocketing into the age of automation without knowing our destination. No one has all of the information needed to measure the dimensions of automation in our economy, to ascertain what technological breakthroughs are currently taking place, or what is on the drawing boards for future development. This proposed program provides for the much-needed evaluation of the impact of automation upon our economy. It provides for a determination of skill requirements, job opportunities, training needs, and for an investigation into existing impediments to labor mobility.

Aside from the activities of study, evaluation, appraisal, and reporting, the bill provides for concrete and practical programs to cope with the existing dislocation in the economy. There are provisions for the development and encouragement of broad and diversified on-the-job training programs to help those out of work and to equip workers with new, improved, and needed skills. Labor mobility will be encouraged through promotion by the Secretary of Labor of equitable practices to improve the mobility of workers and through counseling and placement activities.

This program is to be effectuated through the utilization, coordination, and cooperation of all appropriate agencies—public and private, local and national.

Demonstration, by way of available statistical evidence, of the great and continuing decreases in employment due to technological changes is wholly incapable of registering the enormous human loss involved. For thousands of persons, when the job goes, 20 or 30 years of what these people had believed to be security goes with it. Automation, the disappearance of long-established firms from the industry, the relocation of plants and reorganization of operations have thrown onto the streets thousands of experienced and skilled workers with years of service to an employer which now counts for nothing. These displaced workers suffer mental anguish and all of the indignities and hardships that life without work still brings to the men and their families who bear the brunt of economic dislocation.

The crux of the problem created by scientific and technological progress is how to adapt the economy to the new abundance which such progress makes possible. We must learn to live with this abundance, we must learn to use it, or else it will further disrupt our economy, create further dislocations, recessions, and more unemployment. The new economics of abundance requires new understanding and the adoption of the new forward looking programs and policies now proposed.

We have a special obligation and responsibility to those who have suffered as a consequence of the progress which benefits the vast majority, but so poignantly and injuriously affects many. The implementing of this program should allow many persons presently unable to participate effectively in the mainstream of the Nation's economy to resume their rightful and appropriate place in that economy. It is in the national interest that this be done, and that the opportunity to acquire new skills be afforded to these people in order to alleviate the hardships of unemployment, reduce the costs of unemployment compensation and public assistance, increase the Nation's productivity and its capacity to meet the constantly increasing demands and requirements of the present era.

Mr. GOODELL. Mr. Chairman, I yield 5 minutes to the gentlewoman from New Jersey [Mrs. DWYER].

Mrs. DWYER. Mr. Chairman, in my judgment, the Holland-Goodell legislation offers the best and most realistic hope of attacking effectively the persistent and increasing problem of technological unemployment.

It is a thoroughly constructive and positive and hopeful approach. It assumes—and I believe correctly—that the vast majority of unemployed workers are not content to sit back and draw unemployment compensation for as long as possible, that these displaced workers have a deep and urgent human desire to participate in the mainstream of American economic life, and that their major handicap has been a lack of train-

ing to equip them with the advanced technical skills now in demand by American industry.

As one of many Members here who represent industrial districts, I have seen the economic conditions developing over the years which have made a retraining program essential. During each of the two most recent economic recessions, I made it a point to visit employment offices, to talk with the unemployed, to consult at length with labor and business leaders in the area, and in general to obtain as broad an understanding as possible of the causes, effects, and possible cures of unemployment.

During each of these experiences, I was struck by the fact that unemployment tends to strike hardest at two well-defined groups of workers: first, the older worker who has been doing the same semiskilled or in some cases skilled job over a long period of time, and second, the young, less educated and generally unskilled worker who is often considered a very marginal producer.

Whenever management either introduces new and automated equipment into its plant or tightens its belt during a slack period by reducing costs, both these groups are adversely affected. The older workers are victims of outdated skills and changing job requirements, while the younger workers are victims of inadequate or insufficient education and training. A third group of workers joins the ranks of the unemployed when an entire plant either closes down or, like the huge Mack Truck plant in Plainfield, N.J., is moved to another part of the country.

At the very time such unemployment exists, even while it is growing in fact, there is a large and paradoxical demand for skilled labor in the same area.

Even as workers line up to receive their unemployment compensation checks, local newspapers carry column after column of help wanted advertising, and the same employment service offices feature lists of unfilled jobs.

It is the fundamental purpose of this legislation, as I see it, to unravel this paradox by bringing together the available labor supply and the available jobs by equipping displaced workers with the skills which industry and commerce now and in the future will need.

There is a further important objective of the bill which has been too widely unappreciated. This is the need to provide new and growing resources of highly skilled labor to meet the requirements of an expanding economy. It is obvious that automation brings with it some temporary unemployment, but I do not believe our experience confirms the fears of some that automation inevitably will cause increasing long-range joblessness. On the contrary, an expanding economy must have both improved equipment and more and better workers. The pending legislation can help provide these resources.

In human terms, Mr. Chairman, one of the most compelling arguments in favor of the bill is to consider the alternative to a retraining program. If we fail to take the steps proposed, we are saying, in

effect, to millions of unemployed workers that they are not important to us; that they do not matter; that we have no place for them. Despite the obvious fact that they are without work through no fault of their own, we would be requiring them to bear the full burden of automation. We would be taxing them for the benefits to be enjoyed by the great mass of the country. We would be singling out the neediest among our people to pay the costs of the prosperity the rest of us are destined to enjoy.

I cannot imagine, Mr. Chairman, that any of us are willing to do that.

I urge Members on both sides of the aisle to support the Holland-Goodell substitute bill.

Mr. O'HARA of Michigan. Mr. Chairman, I yield 8 minutes to the gentleman from Indiana [Mr. BRADEMAS].

Mr. BRADEMAS. Mr. Chairman, the first thing I should like to do is to add my own hearty congratulations to our distinguished colleague, the gentleman from Pennsylvania [Mr. HOLLAND], who has given to the Congress such notable leadership in this field of the impact of automation on the labor force of our country. I would also add my congratulations to our colleague, the gentleman from New York [Mr. GOODELL], for his contribution to the shaping of this legislation. We have had ample testimony here this afternoon that this is a bipartisan operation. But I can think of no better evidence for the validity of that proposition than the strong position taken by the leading newspaper in my congressional district, indeed I would say the outstanding newspaper in the State of Indiana, the South Bend Tribune, which, I hasten to add, is a Republican newspaper and which, so far as I can recall in the four times I have run for Congress, has not yet seen fit to endorse me for that office. This is an editorial which was published on January 14, 1962, entitled "The Sooner the Better." Because I think this editorial from a Republican newspaper, the owner, editor, and publisher of which has been a delegate to the Republican National Convention, more eloquently summarizes the necessity for this legislation than any other document I have yet seen, I am going to read it in full.

The editorial reads as follows:

THE SOONER THE BETTER

The proposal that the Federal Government take the lead in establishing a broad program for the retraining of workers displaced by automation is again before Congress.

It is constructively realistic. Fortunately, the outlook for the birth of such a program is brighter in the 2d session of the 87th Congress than it was in the 1st when serious consideration of the matter was slow in getting started. In the first session the Senate passed a 4-year plan. A 2-year plan got tied up in the House Rules Committee.

Interestingly, and perhaps significantly, the idea already has the hearty endorsement of the President's 24-man Labor-Management Advisory Committee which has just made its first report to Mr. Kennedy.

The purpose of a retraining program is simple—to prepare displaced workers for jobs which they can't get because they lack

essential skills, and thus get them off public assistance rolls.

Such a program, to be sure, will cost a considerable amount of money. But it costs a considerable amount of money to support displaced workers on public assistance rolls, too. Getting them back to work would be an infinitely happier situation for everyone.

The need for adoption of such a program, possibly with the States eventually assuming a share of the cost, is given fresh urgency today by another question before Congress. That question concerns the lowering of trade barriers to stimulate exports and imports. This will have some dislocating effects, hurting some while helping other segments of the economy. International trade, being a two-way street, always works that way.

Thus it appears that the sooner a practical retraining program gets underway the better for everybody.

Moreover, the launching of the retraining program will involve some other things besides establishing training facilities. Some profound study will be required at the onset to determine the nature of training programs. It would be silly, for instance, to start training hundreds of thousands of men and women for certain jobs if there would be no demand for their services.

Last session's Senate bill 1991 properly took note of this, stipulating that the Secretary of Labor should be responsible for determining where job opportunities are as a first step toward activating training plans.

Those who discussed the problem pointed out that the country as a whole really does not know what the manpower requirements are. We lack specific information about what skills are in short supply. And certainly we have only vague notions of what the requirements are likely to be in the years ahead for all manner of jobs from well-drillers to nuclear physicists.

A retraining program, no matter how soundly conceived and efficiently directed, promises no utopia. It would not in itself solve the unemployment problem.

But it would, in our opinion, be a notable advance in coping with one of the Nation's most trying and frustrating social problems.

This editorial, Mr. Chairman, I want to repeat, is from an outstanding, Republican-owned newspaper. I think moreover, because this is a Midwestern newspaper, its position ought to stand as a symbol and perhaps offer us a little hope that we might get some support for this legislation from my Republican colleagues from my part of the country.

There are, Mr. Chairman, two particular points to which I want to make reference in the brief time I have at my disposal.

The first of these has to do with the problem of coordination of the program between the Department of Labor and the Department of Health, Education, and Welfare. As we know, all vocational education, which is the major form of training which is provided under this bill, is provided by local vocational educational agencies.

These agencies are the same ones which now receive Federal assistance under the Smith-Hughes and George-Barden Acts administered by the Department of Health, Education, and Welfare.

What is added by the Holland manpower bill is a requirement for job testing, counseling, and training by the Department of Labor through the local employment service offices before the

worker is placed in a training program, and the payment of training allowances to unemployed workers receiving training. Basic to the design of the bill is the principle that training must be oriented to job opportunities.

The bill thus closely coordinates the work of the two Federal agencies most concerned with training for manpower objectives: the Department of Labor and through it the State and local employment service offices, and the Department of Health, Education, and Welfare, and through it the State and local vocational education agencies.

The roles that these two great Departments will perform are thus clearly those which have been traditionally assigned to the two agencies and will be closely coordinated under the manpower bill. Thus, one of the most constructive aspects of the bill is that it brings together into a working partnership those separate but indispensably related activities: vocational education and employment service functions.

I think the gentleman from the other side of the aisle, the gentleman from Missouri [Mr. CURTIS], has already hailed the Education and Labor Committee for its success in coordinating the operations of these two agencies of Government in this legislation.

Mr. Chairman, there is just one other point to which I want to address myself in connection with this bill, and it is this: It was contended earlier this afternoon that on the whole this program would only duplicate existing programs. I think this is an inaccurate statement. It is true that there are today in existence several very important vocational rehabilitation programs. However, there does not exist any general program for the some 4½ million persons who are now unemployed. Most important among these programs to which I make reference are those that deal with the Smith-Hughes and George-Barden Acts, but they can spend only a part of their available funds for training suitable for employed workers, and what is available for appropriate training is insufficient. But the fact that there are some 4½ million unemployed in the United States, a condition from which our country has been suffering in recent months and years, shows very clearly that these existing programs are simply inadequate to cope with the situation.

The veterans' programs are for veterans only and are now a relatively minimal operation. The training program provided by the Indian Bureau is for Indians only, and, of course, deals with only a very small segment of our population.

The vocational rehabilitation programs are only for the handicapped and spend most of their funds on special medical services. The vocational educational programs under the Smith-Hughes and George-Barden Acts can spend only a part of their available funds for training suitable for unemployed workers, and what is available for appropriate training is insufficient.

The Veterans' Administration, to cite just one example in some detail, has ad-

ministered several different veterans' rehabilitation, educational, and training programs. Best known of these are the World War II GI educational bill, a similar bill for Korean veterans and the War Orphans Act.

Some of the veterans' educational benefits are expiring or have expired, such as the World War II GI bill. In addition, most of the educational assistance under the Korean Act was for a different type of education than will be provided in the manpower development and training bill, since most of the assistance provided under that act was for higher education.

I have in my hand some of the latest figures, for example, of rehabilitation programs under the Veterans' Administration. In training as of December 1961 there were some 164,120 persons of whom nearly 100,000 are in higher education programs which of course do not serve to retrain the unemployed people the Holland bill is designed to help.

A large part of the Federal money currently spent for education oriented to occupational training is that which goes for financing the programs for rehabilitating disabled people and placing them in suitable jobs. Expenditures for this program for 1962 will probably be around \$100 million in Federal and State funds.

These programs for rehabilitating disabled workers are, however, substantially different from the training programs to be provided for unemployed and other workers under the manpower bill. A great percentage of the funds are used for the specialized services needed to physically rehabilitate the disabled workers. In many cases the handicapped person needs and receives individualized training in some existing program. These vocational rehabilitation programs, like the veterans' programs, thus have their limitations, and a large part of the funds available are devoted to nontraining activities. The State rehabilitation agencies provide these handicapped individuals a wide variety of rehabilitation services which cannot be provided under the manpower bill, such as medical and surgical restoration, prosthetic appliances and maintenance, transportation, and help in establishing small business enterprises.

Another great percentage of the Federal money available for occupational training is spent for the vocational education programs under the Smith-Hughes and George-Barden Acts and the several amendments to these statutes. In 1961 this amounted to some \$48 million in Federal funds. This is still not nearly enough, however, to do the job that needs to be done, and for which the manpower bill is designed, to provide a general program for the more than 4.5 million unemployed. Only a part of the Smith-Hughes and George-Barden money is available for training programs suitable for the unemployed person, since the legislation specifies for what occupational groups the money can be spent. Nearly 4 million persons are now enrolled annually in these programs, of which at least a million and a half are

in agricultural training and nearly 800,000 in home economics. Roughly only a quarter of the \$48 million goes to trade and industry occupations and of this amount two-thirds goes to training adults of the type contemplated in the manpower bill. To this extent, the training money authorized by the manpower bill—\$30 million the first year and \$58 million the second year—represents substantial and necessary beefing up of existing training programs. For many other occupational groups, such as sales and clerical, no existing Federal program provides the necessary occupational training.

It is also important to remember that the Federal Smith-Hughes and George-Barden money is only a fraction of the total money spent every year for vocational education in this country, most of it being State and local money. The States, for example, in 1961 put up almost twice as much as the Federal Government, and almost three times as much was contributed locally.

The competition for the training dollar at the State and local level is already intense and reflects the already strained budget of local school districts.

The continuing high unemployment figures show that in spite of all the vocational education which has been provided under existing programs, the employment needs of the country and of our unemployed workers are not being met.

All of these facts demonstrate the need for the type of occupational training programs provided by H.R. 8399.

Mr. Chairman, it seems to me this legislation is one of the most important subjects this Congress will have before it this session. Certainly I hope that we in Indiana and in my own congressional district will seek to take advantage of it if it is passed. The bill has substantial bipartisan support, and I hope very much it will be overwhelmingly adopted.

Mr. GOODELL. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, I had hoped that the chairman of the House Education and Labor Committee would be present on the floor, because I wanted to ask him a question about one of his remarks.

I have read the report in connection with this bill and I do not find anywhere in the report or other material any statement of the number of man-hours or man-years of civilian employment that will be necessitated by this legislation. Can anyone on the committee give me any idea of the additional employment that will be necessary with respect to this legislation?

Mr. BRADEMÁS. I have studied a little economics in college, but I must confess I am not familiar with that phrase. Will the gentleman be kind enough to define it?

Mr. GROSS. I am only quoting from the law. To put it simply, How many more civilian employees are you going to have to administer this program?

Mr. BRADEMÁS. The program which is envisioned by this legislation—

Mr. GROSS. How many more people are you going to have to have on the payroll to operate the program?

Mr. BRADEMÁS. The gentleman has asked a question. Does he want an answer?

Mr. GROSS. I am glad to have the gentleman answer it.

Mr. BRADEMÁS. I may say to the gentleman the program envisioned by this legislation is going to be administered through existing vocational education programs which are now administered by the Department of Labor and the Department of Health, Education, and Welfare.

I yield to one of my colleagues who sat on the subcommittee for specific figures. One of the great advantages of this legislation is there will not be the necessity for some new bureaucracy.

Mr. GROSS. I would like to have something more definite than that. I want to know how many people you are going to have on the payroll to administer this program. Obviously you are not going to do it within the present setup.

Mr. O'HARA of Michigan. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Michigan.

Mr. O'HARA of Michigan. I cannot advise the gentleman of the exact number. However, I can advise the gentleman that the title I provision, the cost of the overall direction of the program under the act, has been estimated, for purposes of the legislation, at \$150,000.

Mr. GROSS. I thank the gentleman; if that is as far as he can go, it is not enough.

Mr. Chairman, let me point out that the chairman, the gentleman from New York [Mr. POWELL], in his remarks said that the committee had done its homework on this bill. The committee has not done its homework.

Let me read from Public Law 801, section 11:

SEC. 11. (a) Each report, recommendation, or other communication, of an official nature, of any department, agency, or independent establishment of the executive branch of the Federal Government (including any corporation wholly owned by the United States) which—

(1) relates to pending or proposed legislation which, if enacted, will entail an estimated annual expenditure of appropriated funds in excess of \$1,000,000—

I am informed this proposal starts out with \$260 million—

(2) is submitted or transmitted to the Congress or any committee thereof in compliance with law or on the initiative of the appropriate authority of the executive branch, and

(3) officially proposes or recommends the creation or expansion, either by action of the Congress or by administrative action, of any function, activity, or authority of any such department, agency, independent establishment, or corporation, to be in addition to those functions, activities, and authorities thereof existing at the time such report, recommendation, or communication is submitted or transmitted to the Congress or any committee thereof,

shall contain a statement, with respect to such department, agency, independent establishment, or corporation, for each of the first five fiscal years during which each such additional or expanded function, activity, or authority so proposed or recommended is to be in effect, disclosing the following information:

(A) the estimated maximum additional—
(i) man-years of civilian employment, by general categories of positions,
(ii) expenditures for personal services, and
(iii) expenditures for all purposes other than personal services.

This Committee on Education and Labor has one of the largest and one of the best paid staffs in the House of Representatives, so I am told. If I am wrong in that, I invite someone to get up and tell me I am wrong.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. GOODELL. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. GROSS. Here you are establishing this vast setup, and I say again that \$260 million is merely seed money, yet you have completely ignored the mandatory provisions of Public Law 801. It is about time the executive branch and some of the committees of Congress conformed to the laws under which we are supposed to operate and provided the information the Members are supposed to have available.

Now, I would like to ask someone if it is proposed that the Federal Government train bank tellers. I have a list here which apparently was compiled by the U.S. Department of Labor dated February 7, 1962. Is it proposed to train bank tellers under the provisions of this bill? Is it proposed to train ticket agents under the provisions of this bill?

Mr. O'HARA of Michigan. Mr. Chairman, will the gentleman yield?

Mr. GROSS. Yes, I yield to the gentleman from Michigan.

Mr. O'HARA of Michigan. The occupations in which training will be given will be decided by the State employment agencies, and they will be occupations in which employment is available and for which qualified trainees are seeking training. Now, I cannot state definitely any one particular occupation for which training will or will not be given.

Mr. GROSS. But it will be on the recommendation of the Department of Labor. Certainly this must be construed as some kind of a recommendation on the part of the Department of Labor; is that not correct?

Mr. O'HARA of Michigan. If the gentleman refers to the same list which I have, it is a simple listing without any attempt to evaluate all of the categories and occupations which were reported by State employment agencies at a particular time.

Mr. GROSS. I find here listed a jobsetter. What is a jobsetter?

Mr. O'HARA of Michigan. A jobsetter is a gentleman who works on certain types of machines where the setting up of the machine is a very difficult task

and requires a high degree of skill. He sets up the machine for the operator.

Mr. GROSS. And, if I understand correctly, if he happened to live in Montana, he might have to be sent to San Francisco—since you say this is a special skill—he might be sent to San Francisco or Los Angeles, the nearest place he could get training, and the Government would pay him 10 cents a mile and subsistence; is that correct?

Mr. O'HARA of Michigan. I would simply say that the Secretary of Labor and the Members of the House who support this bill are anxious to train as many people as possible.

Mr. GROSS. I note there is also a listed skill known as twister tender. I wonder if this is for the training of individuals to take care of those who attend the all-night parties at the White House where they do the twist until the small hours of the morning. Is a "twister tender" related to these night club activities?

Mr. O'HARA of Michigan. I am sure the gentleman knows more about the twist than I do.

Mr. GROSS. Well, if I know more than you do, you do not know anything about the twist.

Anyway, this is very interesting. And, I hope eventually to find out just what a "twister tender" is supposed to do. You do not have any training for baby sitters listed, do you? Then I note on the list for training one word "helper." I do not know who this individual is going to help; it is just plain "helper." Help what and who? Help train a plumber to become an optician? I see there are opticians listed here for training purposes. Is he going to help an unemployed plumber become an optician, or is he going to help an unemployed optician become a plumber? Which is it going to be? You know, this list is tremendous. Training is to be offered PBX operators. The telephone company and businesses generally have been training their own PBX operators for years, but now the taxpayers are going to train them.

The gentleman from Massachusetts [Mr. O'NEILL] earlier this afternoon said he was surprised—I believe that was the word—surprised to find the telephone company conducting night training schools in Boston. Why, the telephone company has been doing this for years, training their own operators, linemen, and repairmen, and I submit if we leave them alone, they will continue to train their employees. The banks will continue to train their tellers, the railroads and airlines their ticket agents, and the grocery stores their clerks. These and a host of others of a similar nature are on this list as made available by the Labor Department.

I would still like to know from what source the money is to come, and in the hundreds of millions of dollars, to finance the programs here proposed. I have hoped that one day there would be the recognition that the U.S. Treasury is not a bottomless pit; that the financial condition of this Government is not good. I become more convinced each

day that national bankruptcy is to be our fate.

Mr. O'HARA of Michigan. Mr. Chairman, I yield 10 minutes to the gentleman from Iowa [Mr. SMITH].

Mr. SMITH of Iowa. Mr. Chairman, I would like to discuss briefly at least some of the provisions of this bill that I think vitally affect a good share of our economy, and in particular the agricultural economy in this country. I think a lot of people have overlooked the very important effect that the movement of farmers off the farm has had on our total employment picture. The reason for this, of course, is that the biggest productivity increase in any sector in our economy has come in the agricultural economy since World War II. Since World War II we have had an average increase in productivity per year of 5.8 percent. Last year the increase in productivity was 7.7 percent; whereas the nonfarm productivity increase was only 2 percent last year, and on an average has been much, much less than in the agricultural segment of our economy. In other words, what has happened is that the farmers have automated much faster than the nonfarm segments of our economy. It is only natural, I suppose, as a result of this, unemployment would be much higher in the farm sector than in the nonfarm sector. So we find that farm unemployment last year totaled 14.7 percent; whereas nonfarm unemployment totaled 5.6 percent. Now, in this particular sector of our economy we do not have unemployment compensation. There is not any way for the farmer who leaves the farm to receive unemployment compensation while he is trying to get some training or reestablish himself in another job.

The very day the most skilled farmer moves to town he becomes an unskilled city worker, either to replace a city worker that is there or to go on the unskilled unemployed list trying to get a job. So actually these skilled and efficient farmers have become unskilled city workers, and have gone on the unemployment rolls at a rapid rate in the last several years. The total of unemployed, unskilled workers in the United States has been accumulating at a rate less than the number of farmers that have been leaving the farms. I think this is significant. For example, we find that since 1955 1,255,000 persons have left the farms. The total unskilled, unemployed at the present time is estimated at 738,000. This means that the agricultural employees that left the farms since 1955 now exceed by about 50 percent the total number of unskilled, unemployed workers. Some of the farmers who left the farms became skilled workers in the city, and some of them had enough capital of their own to go on to school and some, of course, went into private business. But on the other hand many, many went on the unemployment rolls. We still have a large pool remaining in the unskilled market where too few jobs are available.

Changes in American agriculture occurred at a more rapid rate during the 5

years preceding the last agricultural census than during any previous intercensal period. Rapid advancements in technology, mechanization and production techniques have had a tremendous impact on farming. Much greater specialization and commercialization in the production of many farm products occurred between 1954 and 1959 than during any 10-year period recorded by the farm census. The number of census farms dropped from 4.8 million in 1954 to 3.7 million in 1959 and the average size increased from 242 to 302 acres. Some of the decline in number, approximately 225,000 farms, was due to a change in the definition of a census farm, but most of the change resulted from the increased size in operating units and concurrent off-farm migration of farm people. Hired farmworkers averaged 1.9 million in 1960, about 3 percent fewer than in 1959. The technological upheaval characterizing today's agriculture presents far reaching challenges to training and retraining programs for this vital segment of our Nation's manpower.

Our rural manpower supply is vital to the Nation's economy, not only in sustaining and advancing the production of food and fiber, but also in its potential contribution to other work-force segments. Our three and seven-tenths million farms now provide over 180 million Americans with a quality and quantity of food and fiber that is the envy of the world, and produce great quantities that are distributed to other populations. Production per farmworker is now twice as high as it was two decades ago but with our population growing at the rate of 1.7 percent per year, with 3 million more people to feed each year, 8,000 more every day that dawn, the challenge is apparent. Training and retraining is essential in order to develop the new and more technical competencies demanded of those who will be employed in agricultural occupations. Training and retraining is essential in order to accomplish the successful migration of many rural youth and adults from farming to nonfarm agricultural or other types of employment. For many, the necessary training will permit transition to nonfarm agricultural occupations. Although the number of farm operators and laborers is decreasing, the total employed in agriculture remains relatively constant. The decline in the farming segment is nearly balanced by a raise in nonfarm agriculture employment. For others, the training will be necessary to establish them in agricultural occupations.

The adjustments apparent among farmers and farm laborers alone do not constitute the total rural training and retraining needs. There are 54 million people living in the countryside and villages of rural America. When we discuss manpower training and retraining needs of rural people we are not talking about a minimal segment of the national population, we are talking about nearly one-third of America. The startling fact is that over one-half of the poverty in America is rural poverty.

The number of rural families with inadequate incomes—less than \$2,500—exceeds the number in urban areas—not only percentage-wise, but by actual count.

There are 4.1 million inadequately low income rural families, total money incomes from all sources, of less than the equivalent of \$208 per month, and 3.9 million such urban families. Also of significance, about one-tenth of the rural population is nonwhite, with the consequent unique added disparities of racial opportunity piled on top of the disparities of rural opportunity.

The near reversal that has occurred during the past two decades, in the necessary procedure for achieving maximum utilization of the Nation's manpower, poses a distinct challenge to training and retraining programs. During World War II and the Korean conflict, manpower utilization procedures were designed to make the fullest possible use of the skills of the work force. Unemployment and underemployment were not critical problems. Manpower was in short supply.

Today, nearly the reverse is true. The Nation has a large number of unemployed and underemployed workers and more will be displaced because of automation and other technological developments. Consequently, manpower utilization and training programs in this decade must be aimed at not only permitting entry into and increasing proficiency in existing agricultural occupations, but also at improving the competency of those in the Nation's work force who will need to qualify for other occupations.

The occupational training and retraining programs under the Area Redevelopment Act of 1961, are demonstrating the effectiveness of federally supported vocational assistance to the unemployed and underemployed. But, the provisions of this act are limited to designated economically distressed areas and relatively few of the approved projects are for the unemployed or underemployed in agriculture. Thirty-seven projects have been approved in 15 States, involving 5,013 trainees in 251 courses for 91 occupations. Eight are agricultural projects training 128 individuals. The manpower bill will permit development of the broad programs of vocational training for the unemployed and underemployed which is so seriously needed.

The need for this program has been widely acknowledged. Both management and labor testified for the bill. At the beginning of the hearings, I doubted the need for the legislation and tended to assume that industry could train needed employees but the hearings convinced me that automation and its benefits would be greatly retarded if we were to depend upon industry much of which does not have the will or wherewithal to train the workers needed before changing production methods or starting a new plant.

The Des Moines Tribune on February 23, 1962, carried an editorial on this sub-

ject and endorsing the content of this bill which I believe is worth reading. It is as follows:

NEED FOR JOB RETRAINING

President Kennedy emphasized last week the need for creation of 25,000 new jobs each week over the next 10 years for those coming into the labor market and those displaced by machines.

The chief hope for creating the needed jobs lies in expansion of the economy generally. But individuals displaced by machines must also be able to shift to other types of employment, which frequently require a higher degree of skill. The number of lost jobs directly attributable to automation isn't known, but it unquestionably is substantial. In New York City alone the changeover to automatic elevators has displaced 40,000 elevator operators—a work force that exceeds the entire population of such communities as Burlington, Clinton, or Ottumwa.

Congress approved a limited program of vocational retraining last year. The program enables jobless workers to attend special training courses and receive a subsistence allotment during training for a maximum of 16 weeks. The program is restricted to certain hard-hit areas and residents of only about 1,000 designated counties are eligible to take part. Job retraining programs have been approved in 35 communities.

The need for vocational training isn't limited to areas with especially heavy unemployment. Experience with the present program also shows it isn't possible in many cases to acquire needed skills in a 16-week course. The administration last year proposed a broader approach that would enable communities throughout the United States to develop on-the-job and vocational training programs for workers with obsolete or insufficient skills. The proposed program, to be financed by a combination of Federal and State funds, would permit training for up to a year. The Senate last year approved a program of this kind.

The revolutionary changes taking place in industry and agriculture together with increasing foreign competition make it imperative that Congress give attention promptly to this and other proposals that would provide the opportunity for Americans to make the necessary adjustments to changing economic conditions.

Mr. Chairman, when we had this bill under consideration the committee tried to include farmers with low incomes who want to prepare to leave agriculture within the meaning of the bill so that they could receive some on-the-job training and retraining. We provided, for example, on page 6, in section 201, that on-the-job training is designed to qualify for employment the many persons who cannot reasonably be expected to secure appropriate full-time employment without such training. This helps to define the full-time employment definition to include such farmers. Also in the priorities we determined that the persons who are unemployed should receive a priority. Originally there was discussed the possibility of including underemployed persons. It was thought that this would include farmers. I would point out, however, that many farmers are not underemployed. They may work 60 hours a week. They just do not make enough money. So, really, what we want to get included are those

who are not going to have appropriate employment in the farm sector of our economy and want to retrain for a job which is available and pays better.

After the bill left our committee, several who were interested decided unemployed farmers should be more clearly defined as included in the priority.

Consequently the Senate, in considering this whole picture, tried to define this more definitely and they adopted a definition which will be included in the substitute, as I understand it, and if it was not going to be, I will offer an amendment to define unemployed persons as including those farmers that make less than \$1,200 a year.

Mr. Chairman, if we review all of these figures, we see that if we exclude the farmers who have been taken off the farms, we have been able to take care of those persons who have been automated out of their jobs in the cities. We have been able to do this through the operation of the economy in general. But when 1,200,000 former farmers were added to the list economy and retraining available was not able to take care of this particular problem. So actually I think this is a very important part of the bill.

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

Mr. SMITH of Iowa. I yield.

Mr. GROSS. I was surprised because I could not find in this list of jobs of one kind and another very much for the training of workers on the farms. What is the story on that?

Mr. SMITH of Iowa. I think the reason for that is evident from what I have just said: that 1,200,000 have left the farms in the last 6 years.

Mr. GROSS. Mr. Chairman, if the gentleman will yield further; but then some of these people might like to go out and work on the farm and be a midwife for a cow, when it is below zero, in a cold barn. And they ought to be trained to take care of the lamb crops that are coming on. As the gentleman well knows, that is a really exhilarating experience, to sit out there in a cold shed and help the lambs come along.

Mr. SMITH of Iowa. That is a nice experience that I have had many, many times. But I would like to point out to the gentleman that he has just given us an illustration of how this program will operate and will avoid training people for jobs that do not exist. We already have a surplus of the lamb tenders. We may not have the twister tenders, but we have too many of the lamb tenders.

Mr. GROSS. If the gentleman will yield further, we would like to spread the good things of life around to those people who have not had some of that experience out there in subzero weather. Why not spread the good things of life around and give the farmers a little bit of a break in this bill?

Mr. SMITH of Iowa. I think the farmers will get a break if this bill passes. I think the gentleman will find that the farmers around Waterloo will be taking retraining by the gross.

Mr. GROSS. I thank the gentleman. I consider that a real compliment. And we should give some of the people in the cities the chance to go out and learn how things operate out there.

Mr. SMITH of Iowa. We do not want these people to meet their Waterloo just because they have to move to Waterloo but instead want them to find a job.

Mr. GROSS. I would like to ask the gentleman from Iowa, Where is it proposed to dig up the money for all of this? This is just the seed stock, this \$260 million. Where are we going to get the money for this job?

Mr. SMITH of Iowa. Mr. Chairman, I would point out, having served on a welfare board, and I know the gentleman is very well acquainted with this; if there is anything we cannot afford it is to continue year after year after year the people on welfare who could be rehabilitated when we know that about 20 percent of those people are retrainable and could be rehabilitated at a cost much less than to keep them on the welfare roll; get them into some other job instead of being on the welfare roll year after year after year.

Mr. GROSS. Is the gentleman saying inversely—and I do not want to put words in his mouth—that the passage of this bill will mean the end of the welfare rolls?

Mr. SMITH of Iowa. It will mean the reduction of those 20 percent that are retrainable and rehabilitatable who are on the welfare rolls now. It will reduce that considerably, or it should reduce that considerably.

Mr. GROSS. Mr. Chairman, if the gentleman will yield further, since the New Frontier came into the picture in Washington I have never heard of so much unemployment as I have this afternoon. I thought that real progress had been made. I have been reading about the real progress that the New Frontier has made in reducing unemployment. This afternoon we have had unemployment all over, up and down one side and the other of this Chamber, when we have been hearing nothing but unemployment.

Mr. SMITH of Iowa. If it had not been for the work of this committee and people like the chairman who have been working on it, the situation would have been much worse. While there is less today, that is not to say that there is no unemployment. I am sure the gentleman knows that there is unemployment in Iowa as well as elsewhere. All you have to do is to go down to the employment security commission and look at the list of people coming off the farms seeking some kind of job.

Mr. GROSS. Mr. Chairman, if the gentleman will yield further, I hope he will help me get a few New Yorkers out to Iowa to help take care of the pig crop that is coming on, the calf crop.

Mr. SMITH of Iowa. I hope we do not have too many new producers of pigs or the price will be too low.

I want to say, in closing that I was one of the doubters when this bill first started in the committee. I commend the gentleman from Pennsylvania [Mr.

HOLLAND] because he certainly saw this problem long before most of us realized it really existed. When we first started hearings on this bill I thought, "Why does not industry take care of this? If they need to retrain people they ought to retrain them," but, as the hearings progressed we were told by both industry and management that automation was coming so fast and so greatly needed to keep up with the world competition, that industry would just simply not be able to do enough without some assistance. I was finally convinced from the facts that this legislation is needed.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GOODELL. Mr. Chairman, I yield such time as he may require to the gentleman from Nebraska [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Chairman, I have long been interested in the type of important legislation which is now before us and I shall support it as the most important means that I know of to relieve chronic unemployment which we note is general in many sections of the country. It is my feeling that we never fully recover employmentwise from the series of recessions that happen within our economy from time to time. I am convinced that the unemployment figures after the recession has run its course remain high because of the fact that jobs are lost through automation and the shifting of skills.

I have long been favorable to this needed legislation and last October I spoke at length on this subject before the Nebraska State AFL-CIO convention in Omaha, Nebr. During my presentation I outlined the problem as I saw it and which I believe now we are all aware of and I pointed out that this has been a bipartisan effort. I did then and I do now want to pay a special tribute to the gentleman from Pennsylvania [Mr. HOLLAND] who kindly took of his time to discuss details of the legislation with me during the 1st session of the 87th Congress, which proved most valuable in presenting this entire problem to the people with whom I spoke and communicated.

Mr. Chairman, there may be some alterations in the legislation of a minor nature which may be made, but I urge upon the Members to give this bill their wholehearted support because it is so vital to a vibrant economy and so necessary at this time.

Mr. O'HARA of Michigan. Mr. Chairman, I yield such time as he may require to the gentleman from Ohio [Mr. FEIGHAN].

Mr. FEIGHAN. Mr. Chairman, the United States has long held the lead as the foremost industrial nation in the world. Our economic strength in times of peace and in times of global conflict has demonstrated the meaning of a free economy in our free society. The productive genius of that free economy has lifted the burden of heavy labor from the backs of the American workingman while providing a standard of living for all Americans unequalled in the history of the world. That same productive

genius has, in times of strife and war, defended the values of our free society and the cause of human freedom on far-flung battlefronts.

Today our Nation is passing through a technological revolution. The great scientific advances and breakthroughs of the postwar period have been harnessed to our national industrial complex. As a result there has developed a production capability in many basic industries which maximizes the use of technology and minimizes the use of manpower. This we have come to call automation.

Automation has caused and will continue to cause human upsets of a very serious nature. When manpower is replaced by high-speed, precision machines, the social and economic values of our free society are endangered. The danger lies in not making provision for the use of productive manpower which is displaced by automation. Unemployment and underemployment are the first problems arising from this trend. It is now apparent that unemployment for a large number of productive workers is both acute and prolonged. It is equally apparent that our problems of chronic unemployment will not be resolved by the normal upturn of our economy. There is a hard core of unemployed workers who will remain unemployed unless large-scale, cooperative efforts are made for their occupational retraining.

Such occupational retraining is necessary to provide these workers with new skills, the kinds of skills required by the rapid technological advances of the past decade. The alternative to such a worker retraining program is acceptance of a growing, hard core of unemployed workers with all the social and economic evils such a defeatist attitude is sure to generate. This we cannot afford. This we must not permit to happen. We must take positive action now to conserve our human resources in this period of national transition from an industrial economy to a technological economy.

H.R. 8399 is by no means a panacea for our problems or the only guideline to our national objective of maximum employment and a more fully productive work force. It is but one step in the right direction. Much more will need to be done in creating job opportunities geared to the technological age in which we live. It is estimated that 26 million new workers, our youth, will enter the labor market seeking jobs during the 10-year period ahead. Some 4 million new job opportunities must be created and stimulated each year if our Nation is to meet the needs of an expanding population. Our answer must be an ever-expanding national economy which fosters free, competitive enterprise and promotes the general welfare of all our people. The same pioneer spirit which produced the scientific discoveries leading to automation must now be turned to the development of new industries which will provide maximum employment and advance the common good. This is the new frontier we must explore and master in the decade of the 1960's.

Meanwhile, Government has a clear responsibility to harness the creative spirit and know-how of business and organized labor to resolve the economic and social problems caused by automation. This is not a task for Government alone. Nor is it the sole responsibility of business or organized labor. It is a challenge common to all.

Mr. Chairman, for the past several years I have attempted to call public attention to the dangers of rapid automation which occur when reasonable provisions are not made for the occupational retraining of workers displaced by highly productive machines. I have expressed concern that the problems of worker displacement would reach unmanageable proportions unless programs were developed to cushion the human impact of automation. The problems of chronic unemployment are now of such magnitude as to require a large-scale effort by the Department of Labor, with the cooperation of business and organized labor, to turn the tide before it is too late. I, therefore congratulate the Committee for the leadership it has taken in this matter, and urge the adoption of H.R. 8399.

Mr. O'HARA of Michigan. Mr. Chairman, I yield such time as he may require to the gentleman from Ohio [Mr. VANIK].

Mr. VANIK. Mr. Chairman, I am pleased to join in support of this legislation to train and more effectively utilize the manpower resources of the country.

Progress and automation have taken a steady toll of employment opportunities. Our increasing population and labor force make it necessary to create 4 million new jobs each year to accommodate the 1½ million new workers entering the labor market and the 2.5 million persons who lose jobs to automation each year. The Nation appears to be falling behind in its effort to provide full employment opportunities without inflation.

In my community of Cleveland the unemployed includes thousands of persons who have been chronically unemployed for a long period of time. For many, the prospects are discouragingly remote for return to regular, gainful employment. Such discouragement can soon lead to despair. While many of the unemployed are in their advanced years, there is a critical number who are young, more recent members of the work force.

Every day, every week, and every month throughout the year additional workers are displaced through automation. Simultaneously, the development of new industrial equipment and methods requires new and changing skills unavailable in many labor markets. While millions persist in unemployment throughout the Nation, job opportunities are advertised for applicants with special training qualifications.

It will well serve the entire Nation if training can be provided those of the unemployed who are retrainable for demanded skills and for employment opportunities that do exist. Preparing the men for the job will prove to be good public business. This bill is a giant step in the right direction.

Mr. GOODELL. Mr. Chairman, I yield such time as he may require to the gentleman from New York [Mr. LINDSAY].

Mr. LINDSAY. Mr. Chairman, I rise in favor of this legislation and also in favor of the bloc of amendments that will be offered by the gentleman from New York [Mr. GOODELL].

Mr. Chairman, this is extremely important legislation. I think the problem of automation comes close to being the No. 1 domestic problem facing us in the United States today. This bill is a large stride forward toward solving that problem.

Mr. O'HARA of Michigan. Mr. Chairman, I move that the Committee do now arise.

The motion was agreed to.

Accordingly the Committee rose, and the Speaker having resumed the chair, Mr. MAHON, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 8399) relating to the occupational training, development, and use of the manpower resources of the Nation, and for other purposes, had come to no resolution thereon.

RESIGNATIONS FROM CANADA-UNITED STATES INTERPARLIAMENTARY GROUP

The SPEAKER laid before the House the following communications which were read by the Clerk:

FEBRUARY 27, 1962.

HON. JOHN W. MCCORMACK,
Speaker, U.S. House of Representatives,
Speaker's Offices, U.S. Capitol, Washington, D.C.

DEAR MR. SPEAKER: Due to unanticipated circumstances, it becomes necessary for me to submit my resignation as a member to the sixth session of the Canada-United States Interparliamentary Conference.

Very truly yours,

HAROLD D. DONOHUE.

FEBRUARY 26, 1962.

HON. JOHN W. MCCORMACK,
Speaker, U.S. House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: With genuine regret, I hereby resign as a member of the Canada-United States Interparliamentary Group because of unexpected commitments which will command my attention during the time of the conference.

With best wishes, I am,

Sincerely yours,

PHILIP J. PHILBIN.

The SPEAKER. Without objection, the resignations are accepted.
There was no objection.

A NATIONAL LOTTERY

Mr. FINO. 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 New York?

There was no objection.

Mr. FINO. Mr. Speaker, while some of the Members of this Congress as well as other Government officials still express fear that a national lottery might

raise economic, social, and moral issues, the wheels of fortune still continue to spin merrily in 24 States throughout this country pumping out tremendous tax revenues from racetrack betting.

The report on horseracing in the United States for the year 1961, just released by the National Association of State Racing Commissioners, reveals some interesting and startling revenue figures. It shows that \$3,466,943,158 was wagered in these 24 States where gambling on horseracing is legal and proper. This is an increase of over \$108 million from last year. It further reports that the revenue to these same States amounted to \$264,858,077. Here again, an increase of almost \$7 million from last year. New York State is reported taking in over \$99 million in additional income—\$2 million more than last year. Also, in spite of our sanctimonious attitude about gambling, our Federal Treasury was the recipient of additional millions of dollars in taxes collected on admission charges for 49,560,334 persons who attended the races during 1961—an increase of over 2½ million people from last year.

To those people who react with shocked surprise at the mere idea of legalizing a national lottery, I would like to point out that, according to this statistical report, the State of Florida again programed 8 additional racing days allotted for scholarships and charities. This means that gambling funds will again be used for the education of our young people and to help the needy. For that matter, is not all of this so-called gambling revenue commingled with other State income and used to build schools and teach our children?

This report makes one point crystal clear and that is, Mr. Speaker, that millions of American citizens throughout the United States enjoy the recreation and pleasures of gambling and that these 24 States, realizing that the urge to gamble is human and normal, have combined this universal human trait with their evergrowing need for more revenue.

Why, Mr. Speaker, all the resistance to a national lottery when every day millions of dollars are changing hands in every stock market, at every race track, at just about every sporting event that is staged? Are these transactions any different than buying a lottery ticket? Are these transactions any different than the lotteries conducted every month by thousands of civic clubs, churches and welfare organizations where automobiles, television sets, and other prizes go out to lucky ticket holders?

Yes, Mr. Speaker, if we would stop and think of how much other legalized gambling we permit every day without giving it a second thought, the idea of a national lottery is not as immoral or wicked as it sounds.

Mr. Speaker, I think the time is come for this Congress to stop playing a double role on the subject of gambling. I think the time is come for this government to wipe out hypocrisy and accept the indisputable fact that man is by his very nature a gambler and wants a chance to legally satisfy his gambling thirst.

More importantly, Mr. Speaker, I think the time is come for this Congress to realize that a national lottery, which can easily pump into our treasury \$10 billion a year, would be the only means of reducing the heavy tax burden carried by our American wage earners. Let us wake up and become realistic and sensible on this issue.

INROADS OF AUTOMATION

Mr. SLACK. 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 West Virginia?

There was no objection.

Mr. SLACK. Mr. Speaker, this bill under consideration is one which I can support with full confidence that we are contemplating a positive step in dealing with the inroads which automation has made into the stability of our national economy.

There is no need to review in detail the bread-and-butter necessities, the economic arithmetic, which created the circumstances leading to our consideration of a measure of this kind. We are all familiar with the pertinent statistics:

That we have today a total of 4,091,000 unemployed persons.

That this figure has declined to 5.8 percent of the working force.

But we also have 1,250,000 persons unemployed for more than 4 months.

And we have 672,000 unemployed persons who have been economically dispossessed—they have not worked for 27 weeks or more.

These statistics reveal nothing new. They simply underline a truth which has been established for more than 10 years. Each of several postwar recessions has been followed by an economic upturn, but at the peak of each upturn the number of long-term unemployed has reached a higher total than it had during the last previous business advance. It is quite clear that we are exploiting our new technology for the general welfare of the Nation, but at the specific expense of certain segments of our labor force.

Last year the Congress authorized the beginnings of one remedial approach to the solution of this problem by passing the Area Redevelopment Act. Too little time has elapsed to permit us to determine how effective the depressed area approach will be. In any case, area redevelopment is a very broad field of activity and does not contemplate retraining of workers as a first consideration. The time has come to authorize another beginning to complement area redevelopment by emphasizing action tied directly to the human element in the total problem.

Some strong reservations concerning the validity of the retraining concept and the precedents which might be established by the adoption of this bill have been expressed in this Chamber. I have no desire to question the good faith of the opponents or to cast doubt on their sincerity. As one who repre-

sents a district in which several counties record long-term unemployment of over 20 percent of the working force, however, I feel obligated to place on the record certain convictions based on firsthand experience with the problem which has, of itself, aroused strong support for this proposal.

It has been said that the proposed retraining program will probably not succeed, will miss the heart of the problem, because previous retraining efforts have had only limited success.

In response I would comment that we lack a proper yardstick by which to measure probability of success. Previous retraining programs under the sponsorship of political and economic groups have been fragmentary or of a special objective character. No retraining program can positively guarantee that an unemployed person will automatically become an employed and productive citizen.

Worker retraining will not create job opportunity—only capital investment can do that—but it will vastly increase the chances of those who now have no chance at all, and if we have lost the courage to gamble on the initiative and energy of our own citizenry, then we are taking a long step backward indeed.

Some doubt has been expressed regarding the persons who would be retrained, and whether or not they would use this program for the purpose intended. We must realize that we are dealing with only one category of persons—the unemployed-employables, who can and will work if they are reoriented and directed toward those segments of the economy which are expanding. From personal experience I can testify that about 7 out of every 10 unemployed persons in my district who have been jobless for 26 weeks or more can be considered unemployed-employables, physically able to work and eager to earn a wage.

The question has been raised as to whether or not this program might become permanent. Indeed it might. And is that necessarily bad for the Nation? The best trained professional persons in this country make a practice of taking refresher courses to keep abreast of developments in their fields—to master the latest specialized information which they must use frequently. If retraining becomes a built-in phase of our continuous economic revolution, if portions of our working force regularly pass through such training on the way from idleness caused by technological advance to an upgraded status in another section of the economy, then the program will be fulfilling its function.

If you consider the alternatives you may well decide that this program will be self-liquidating. What are the alternatives?

More unemployment compensation?

More agricultural surplus commodities?

More food stamp plans for an indefinite number of years?

More broken homes, with the breadwinner gone, leading to more money for aid to dependent children?

More collusive union-management agreements to limit work force expansion and restrict job opportunity?

More tax proposals to discourage enterprise management or hinder modernization of our industrial system?

We want no more of any of these, and we all know it. We support amortization and tax writeoff programs for tools, structures, and devices. It has now come to be the time for parallel action in the field of human talents and endeavors.

Let it be said that an American working man has, not one industrial career, but 2 or 5 or 10 if necessary in his lifetime—so long as he is able and willing to work and to learn and relearn to work again. We must create a working force whose flexibility and adaptability matches the tremendous range of improvements now flowing from the experts in the new technology.

Concern has been expressed that the retraining program might provide improper advantages for particular firms or industries. This is not sufficient cause to oppose the program; it is a matter which can be handled by effective administration of the authority which we are delegating to the Secretary of Labor.

The suggestion has also been heard that the retraining program might undermine worker incentive to self-improvement and encourage the feeling that the Federal Government is responsible for the future of all unemployed persons. Some persons may well be so affected, but experience indicates to me that such persons would not work anyway. They are not properly among the unemployed-employables. They are marginal citizens and they like it that way. They are a minority which has always been with us and perhaps always will be.

No person who has not had the experience himself can appreciate the impact of 40 or 50 consecutive weeks of unemployment on a man who has worked steadily all of his previous life. There is a loss of status which is never really forgotten, and a loss of identity with the community—a frozen immobility which simply makes the unemployed person unable to understand what happened, or how, or why it happened to him. The experience itself is grievous enough, and the consequences are far-reaching, but when there is no alternative to continued idleness, then we can expect nothing but social disaster for the worker and his family.

The victim of long-term unemployment needs this alternative, just as the Nation as a whole needs an alternative to the present senseless growth of a larger and larger pool of industrially displaced persons.

We take great pride in our position as the No. 1 industrial nation in the world, and we are spending billions each year to maintain that position and to defend the principles on which our success is based. In that connection, and with reference to the pending measure, I would like to call your attention to a phrase made famous by our professional athletes. They speak of the "second effort," and say that there are many great athletes, but the champions are those who can meet an obstacle and surmount

it with a second effort of drive and determination.

In our programs to counter the effects of automation on our working force we too need a second effort because our first efforts have not completed the job. This retraining program is a second-effort try as part of our determination to continue as international champions in productivity and resourcefulness.

WILL THE DOMINICAN REPUBLIC BECOME ANOTHER CUBA?

Mr. ANFUSO. 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 New York?

There was no objection.

Mr. ANFUSO. Mr. Speaker, I recently spent 3 days in the Dominican Republic, from Thursday, February 15, to Sunday, February 18. I went there because I was very much concerned about the country and about the present situation there. Frankly, I fear that the Dominican Republic may become a second Cuba. Six months before Castro came to power in Cuba I warned that he was no liberator and that he was a Communist. Unfortunately, time proved that my analysis of the situation was right.

I am very much afraid that we are drifting into a similar situation in the Dominican Republic. That was the purpose of my going down there, that is, to learn the true facts, and if the situation warrants it to warn my colleagues in Congress.

I am today reporting to the Congress that the situation in the Dominican Republic is worse than I had anticipated. Unless we act, and act fast, we may soon be faced with another Communist-dominated country in the Caribbean. Only a couple of hundred miles away from our shores. If this should happen, Haiti would not be able to hold out long and our whole position in the Caribbean and the Western Hemisphere generally would be dangerously exposed.

Mr. Speaker, here are some facts that I discovered during my visit to the Dominican Republic:

First, Fidel Castro agents are infiltrating every branch of the Dominican Government, industry, labor, the state university and other sectors of Dominican life.

Second. The 14th of June movement is a well-organized, militant group, with definite Communist leanings. During my visit there, demonstrators associated with this movement burned an American flag and an Associated Press reporter, Robert Berrellez, was beaten up.

Third. I wanted to address the state university, but Dominican officials and our own Chargé d'Affaires warned against it because of possible, well-organized demonstrations by the students belonging to the 14th of June movement, which the Government was powerless to control.

Fourth. The country is on the verge of bankruptcy and may soon be ripe for a Communist takeover, unless political

stability and a sound economic base are established.

Fifth. A sound economic base must be centered on sugar production and exports, which account for 70 percent of the country's economy.

Sixth. Loans alone will not help, I am convinced. In addition to loans, we can promote the future stability of the Dominican economy through a U.S. sugar quota of not less than 1 million tons for 1963.

Seventh. We must also provide material assistance to those parties in the Dominican Republic which are friendly to the United States and are strongly anti-Communist. The leftist organizations are getting plenty of financial help from Castro agents, which is undoubtedly emanating from the Soviet Union.

Mr. Speaker, at the end of 1960 the U.S. Government, in order to weaken the Trujillo regime and hasten its overthrow and its replacement by a democratic government, imposed a special import fee of 2 cents per pound on Dominican sugar shipped to the United States under nonquota allocations. This action caused the Dominican sugar industry to receive \$21 million less for its exports than the actual market value. That \$21 million went to the U.S. Treasury. In so doing the United States prevented it from going into the pockets of the Dominican dictator Trujillo to further enrich him and his family, which owned the sugar mills, factories, farms, and so forth.

As soon as the Trujillo regime had been replaced by a democratic form of government, the sanctions imposed by the Organization of American States—which had formed part of the legal basis for the action of the United States—were lifted.

In a measure, then, the \$21 million which the United States had received should be considered as having been held in trust for a democratized Dominican sugar industry, which now belongs to the Dominican state and, therefore, to the people of the Dominican Republic. It has been agreed by all parties concerned that the funds returned to the Dominican Republic will be wholly used for social works—housing projects and the like—for the benefit of the Dominican population.

A gesture of this type on the part of the United States, that is, returning the money to the Dominican people, would help to strengthen the Alliance for Progress and would hasten the reestablishment of friendly relations between our two countries. Needless to say that many of the Dominican people still resent the support given to Trujillo by the United States. If this money were not to be returned, this fact would be utilized by the leftist Castro forces now operating in the Dominican Republic to foment hatred of the United States.

In connection with the sugar situation, which is of tremendous importance to the Dominican economy and its future stability, a start has been made by our Government in granting a sugar quota for the first 6 months of 1962 in the amount of 464,000 short tons, raw value. But we must not stop there. It is of vital importance—in fact, urgent—

that we grant a sugar quota for the second half of this year of a quantity at least equal to that of the first half. "Without this," Dominican Government officials told me during my visit there, "we anticipate an economic collapse and political chaos."

What is further complicating the sugar situation is the fact that agricultural and factory wages in the sugar industry have increased this year from a minimum of 70 percent to a maximum of 120 percent. This means that the cost of production has been greatly increased, which exceeds the low world sugar price. The encouraging thing here is that profits no longer go to the Trujillo family, which previously owned and controlled the sugar industry, but are now utilized for the benefit of the people.

Mr. Speaker, at this point I want to quote from a message by Dr. Salvador Ortiz, Secretary of Commerce of the Dominican Republic, the section entitled "Ruinous Aspects of the Suggested Global Quota System":

The U.S. Sugar Act expires on June 30, 1962. It is understood here that the U.S. Congress will deliberate on a new sugar act and decide on changes in the current act or extend the present act.

The President of the United States, in his budget message to the U.S. Congress on January 18, 1962, proposed a radical change in sugar legislation. He recommended that the difference between the domestic and world price of sugar, which is currently received by foreign suppliers of sugar, will be retained by the United States to the extent permitted by existing international agreements.

This, as is commonly understood, means that the United States would buy sugar from foreign countries at the "world price" for sugar. That price is a frightfully depressed price, markedly below the cost of production. It is a dumping price. It covers only about 10 percent of the world's production. It is a market for sugars which are homeless.

Today the world price of sugar is \$2.34 per 100 pounds and it can be conservatively stated that no country in the world can produce sugar at such a low price. Certainly the Dominican Republic cannot. And if the Dominican Republic is obliged to sell sugar at such a price it would be reduced to abject poverty and economic ruin.

While the sugar situation is the key to the country's economic stability, it is no less important to watch the political situation in the Dominican Republic very carefully. For example, it is urgent to see that leftist organizations do not gain control of the constitutional convention scheduled for June 1962. It is equally important that the elections, which are scheduled to be held in December 1962, produce a strong democratic government which can arrest further Communist infiltration.

Finally, I want to touch on a personal note. While I was in the Dominican Republic, the editor of the morning newspaper, *El Caribe*, German Ornes, personally attacked me as a friend of dictators. Nothing can be further from the truth. This is not only baseless, but too ridiculous for words. My record in Congress and my efforts in strengthening the democratic forces in Latin America are an open book for all to see. I was truly puzzled to know why this editor would attack me.

In checking on German Ornes, I discovered that in the years from 1948 to 1955 he served as a stooge of Dictator Trujillo as editor of the same newspaper *El Caribe*, which was Trujillo's mouthpiece. In fact, several years later Ornes bought the newspaper with the aid of a loan from the Trujillo government. In October 1955, however, Ornes incurred the dictator's enmity for publishing a picture of a group of flower-bedecked children placing their flowers at the base of a Trujillo bust, but the newspaper caption mistakenly reported that this was taking place at Trujillo's tomb. The next day Ornes left for a press meeting in the United States and refused to return to the Dominican Republic. Now, this man, who openly admits that he played ball with Dictator Trujillo and served as his mouthpiece for many years—and probably would have continued in that capacity for many more years, were it not for the mistake with the picture—dares to attack me because I came to the Dominican Republic to study the situation and to learn how best we can help that country attain economic stability.

I believe there is another reason for his attack, aside from his desire to show that by attacking me he wanted to break from his past association with Trujillo. While in the Dominican Republic, I met with a group of businessmen who are associated with the Business Council for International Understanding. This council seeks to promote better relations between the United States and other countries through a program of projects which are more suitable for private efforts than through the Government, such as 4-H Clubs, Boy Scouts, English language instruction, cultural programs, and the like. A very successful project of this type is operating in Mexico and I inserted a report on the Mexican project in the daily CONGRESSIONAL RECORD of June 1, 1961, pages A3882-A3884. Evidently, Ornes may be thinking that these efforts would win away some of the Dominican people, particularly the youth, from leftist influences and give them an appreciation of America and our democratic ways. His attack on me, therefore, serves a double purpose: He used it to slander American business efforts to aid his people, and it strengthens the hands of the leftists.

Incidentally, about a month ago this same Senor Ornes asked for the removal of two of our staff members attached to the U.S. Embassy in the Dominican Republic, and now he has asked for the removal of our labor attaché there, Fred Somerford, on the ground of alleged interference in Dominican affairs. He is very definitely anti-United States, according to all reports I have received.

The present council of the Dominican Government is headed by President Rafael Bonnelly and ably assisted by such distinguished men as Donald I. Reid Cabral, Dr. Nicholas Pichardo, Secretary of Finance, Dr. Manuel Tavares, and the Secretary of Commerce, Dr. Salvador Ortiz. These men are responsible leaders. They recognize the dangers facing their country and they have asked for help from the United States in their efforts

to bring about an independent Dominican Republic free of Communist influences.

In conclusion, it is quite clear to all of us that the struggle for an independent Dominican Republic and a friendly Dominican Government is very important to the United States. If we sit back and do nothing to help bring that about, I am convinced that the Dominican Republic could be lost in 90 days. All we have to do is let the Communists and the Castro agents fan the political passions of the mob, and it will not be long before a revolt-ridden and chaotic situation will make the country ripe for a Communist takeover.

If we fail now in the Dominican Republic, we will have another Cuba on our hands and our position in Latin America will be further endangered. It may later cost us much more both in money and in lives to regain what we stand to lose if the Dominican Republic should go Communist. I know the Dominican people, who, like the Cubans and the other Latin American peoples, are friendly, deeply religious, proud of their ancestry and their country. We cannot and we should not let them down. The lesson of Cuba is too grim and too fresh in our minds.

FEDERAL-STATE RELATIONSHIPS IN PUBLIC WELFARE

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

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

There was no objection.

Mr. BECKER. Mr. Speaker, I believe it is most important and highly enlightening to insert in the RECORD a statement by the New York State Board of Social Welfare outlining problems in Federal-State relationships in public welfare and proposals for their solution. Along with the statement are accompanying resolutions of the State board for legislation to correct what the board points out is a deteriorating situation in these relationships.

I want to express my personal congratulations to the members of the New York State Board of Social Welfare for their recognition of the gradual encroachment of the Federal Government in fields that distinctly belong to the States and the localities.

As I have warned, and opposed, every time Federal-aid programs have come before the House, more and more controls must go with this aid. The statement by the board of social welfare clearly indicates that in this field it is taking its toll and has created a great deal of confusion.

I sincerely hope that in reading this statement other States will fall in line with the recommendations of the State of New York as a basis for legislation, and action will be taken to permit the States to conduct these affairs as originally intended.

This statement was sent to all the Members in the Congress from the State of New York.

The statement follows:

STATEMENT BY THE BOARD OF SOCIAL WELFARE

This board has been concerned over the years with the many problems that have stemmed from Federal-State relationships in the public welfare field, especially with the steadily increasing domination by Federal authorities and the consequent loss of State and local autonomy.

Back in 1951, the Governor of New York State appointed the [Kelly] commission to study federally aided welfare programs and examine the problems of Federal-State relationships and the more immediate threat of withholding Federal funds because of certain variances in assistance standards and practices in local public welfare departments. More recently, the New York State Temporary State Commission on Coordination of State Activities identified the danger of the current situation in this growing complex of Federal-State-local welfare machinery.

These and other studies by New York State indicated that there was no disagreement on the fundamental objectives of all modern public welfare—to help people who have no other resources but public aid, and to provide that assistance as promptly, as effectively, and as economically as possible, in accordance with the best self-help practices. What is involved is the bureaucratic network of Federal regulations, reporting, auditing, bulletins, State letters, interpretations, conformity reviews, and a snowstorm of other administrative paper requirements.

Once again this board finds it necessary to express concern, its very real alarm, over another threat to extend Federal dominance in public welfare—the latest welfare proposals of the Federal Department of Health, Education, and Welfare. Here again, this board and the staff of the State department of social welfare do not quarrel with objectives—providing for needy people who must be helped, rehabilitating individuals who can profit thereby, and using every known modern technique for breaking the chain of dependency in sorely deprived families. Our anxiety arises from the specific ways and means proposed to reach these objectives.

These new proposals, if adopted by the Congress, would give the Secretary of Health, Education, and Welfare in Washington full power to dictate in detail to all the States, and therefore to all the thousands of local communities in the Nation that administer public welfare, just how it is to be managed—almost down to the last piece of paper.

The discretion vested in the Secretary is without limitations.

The philosophy implied and inherent is in flat contradiction to the historic concern of New York State and its localities for home rule, and ignores the basic right and responsibility of the State and its localities to decide how they will conduct their public business.

We believe that a stand must be made now, by this State and, hopefully, every other State, to stop and to reverse the trend of increasing Federal domination, of a growing complexity that is getting completely out of hand, and of the constant threats to withhold Federal funds because of alleged non-conformity with Federal regulations.

To accomplish this urgently needed change, this board proposes that—

1. Because many of these problems stem from federally required State plans, the Social Security Act should be revised to require that, not a State's plan, but its State laws, should be used as the basis for determining whether a State is in conformity with Federal law.

Such a revision would also shift the responsibility for accepting or refusing Federal welfare funds from administrators to legislators. The amount of funds that are now available to a State such as New York, over \$200 million annually, is so great that the

decision to accept or refuse such funds should be made by those who have the duty to decide the major fiscal policies of the State. After all, the effect of such fiscal decisions goes far beyond the interest or jurisdiction of any single State agency.

2. The Federal administrator's powers to review a State's program for conformity should be limited to reviewing a State's welfare laws. This would restrain Federal administrative personnel from continuously stretching Federal requirements and threatening a State agency with withdrawal of Federal funds unless its voluminous State plan is amended again and again to conform to the latest Federal interpretation of its own regulations.

3. Determinations stemming from this review procedure should be appealable to an appropriate Federal court, which would render a decision after a hearing in which the facts indicated whether a State did meet the requirements of the Federal law or whether its claims for Federal funds were made in good faith or that it withheld the Federal share of recovery funds from the Federal Government.

This board respectfully asks Governor Rockefeller to request the New York State Legislature to memorialize the Congress to consider the grave threats to the Federal-State-local welfare system, and to all Government relationships, represented by this imbalance of powers, and to act quickly and forthrightly to correct the situation.

This board also asks the New York State delegation to the Congress to give its special attention to the Federal legislative proposals before that body in the interest of New York State and all States.

RESOLUTION OF THE STATE BOARD OF SOCIAL WELFARE

Resolved, That this board recommends that the Social Security Act be amended, as follows:

I. That titles I, IV, X, and XIV be amended to require that a State's laws, instead of a State's plan, conform to the requirements of those titles to qualify the State for Federal funds thereunder.

II. That titles I, IV, X, XIV, and related provisions of the Social Security Act be amended to make clear that the powers and duties of the Department of Health, Education, and Welfare be limited to:

1. Determining whether a State's laws conform to the requirements of the Federal legislation;

2. Determining whether in the administration of the State's laws there be substantial compliance with the Federal legislation;

3. Determining whether a State's claims for Federal funds are properly computed and are based on actual expenditures made in good faith, and whether a State has correctly computed and reported the Federal share of amounts recovered from recipients, their estates and relatives;

4. Stimulating and assisting States to provide skilled social services for the prevention of dependency and for rehabilitation;

5. Stimulating and subsidizing research into the causes of dependency and into methods of effective rehabilitation; and

6. On request, to give advice and guidance to States for the better administration of the federally aided programs; and

III. That titles I, IV, X, and XIV and other related provisions of the Social Security Act be amended to provide that the Department of Health, Education, and Welfare shall not deny or withhold Federal funds made available to the States under any of the federally aided assistance programs except with the approval of an impartial administrative board (comprised, for instance, of three or five persons appointed by the President with the advice and consent of the Senate, and assured of facilities and services adequate to

the discharge of its functions), issued after appropriate notice and opportunity to be heard shall have been afforded the State affected; and to provide further that the State affected shall have the right to appeal the determination of such board to an appropriate Federal court; and be it further

Resolved, That this board recommends that the Governor request the legislature to memorialize the Congress to amend the Social Security Act in accordance with the foregoing resolution.

H.R. 10454: A BILL FOR THE DISPOSITION OF PUBLIC LANDS

Mr. HALPERN. Mr. Speaker, I ask unanimous consent that the gentleman from Arizona [Mr. RHODES] may extend his remarks at this point in the RECORD.

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

There was no objection.

Mr. RHODES of Arizona. Mr. Speaker, the bill provides for the classification of all public lands except Indian reservations, national parks and monuments, and the like, as to the highest and best use for the land. The process of classification is to be accomplished by the agency of the U.S. Government owning the land in conjunction with the State in which the land is located. Any disputes on proper classification will be resolved by the Secretary of the Interior after notice and hearing.

Land classified for urban or industrial development may, at the option of the State, be appraised as to its present value. Such land may then, at the option of the State, be turned over to the possession of the State under a contract of sale. Under the terms of the contract the State shall have 10 years to develop the land or sell it to developers. At the end of the 10 years, the State shall either pay the appraised value of the land to the Federal Government, or return the land to the agency of the Federal Government which had jurisdiction of it.

If the land is sold, the State shall either pay in cash the appraised value of the land to the Federal Government, or assign such portion of deferred payments to be made by the purchaser as are necessary to pay the Federal Government the appraised value of the land.

Another feature of the bill is a provision that the Federal Government may turn over lands to a State, city, or county, without cost, provided these lands are used for school, park, or other public purposes, and that such use is commenced within a reasonable period of time.

The bill is designed to allow the States to plan orderly development of its most strategically located lands, and to provide land for public facilities now, commensurate with anticipated future growth.

A BILL TO PERMIT DONATION OF SURPLUS PERSONAL PROPERTY TO PUBLIC PARK, RECREATION, OR HISTORIC MONUMENT AGENCIES

Mr. HALPERN. Mr. Speaker, I ask unanimous consent that the gentleman from Nebraska [Mr. CUNNINGHAM] may

extend his remarks at this point in the RECORD.

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

There was no objection.

Mr. CUNNINGHAM. Mr. Speaker, I have today introduced a bill which extends to public tax-supported park, recreation, and historic monument agencies the right to receive surplus Federal personal property.

This right to receive such surplus personal property is now granted other similar agencies, including civil defense and public health agencies.

Under this amendment to the Federal Property and Administrative Services Act of 1949, the Secretary of the Interior is designated as the officer who shall determine whether such personal property is usable and necessary to the program of the receiving agency. It may be donated to any park, recreation or historic monument agency of any State or of any political subdivision in any State.

This legislation extends to public park, recreation, and historic monument agencies the right to surplus Federal personal property. They now have the right to receive surplus Federal real property.

INFORMATION FILED WITH BUREAU OF CENSUS ON CONFIDENTIAL BASIS

Mr. HALPERN. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. JOHANSEN] may extend his remarks at this point in the RECORD.

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

There was no objection.

Mr. JOHANSEN. Mr. Speaker, I have today introduced a bill to amend title 13, United States Code, to preserve the confidential nature of copies of information filed with the Bureau of the Census on a confidential basis.

The proposed amendment reads as follows:

(c) copies of census reports retained by respondents shall not be obtained by other departments or agencies of the Government through subpoena or other process or by virtue of any law.

My action in introducing this bill is prompted by the decision of the U.S. Supreme Court on December 11, 1961, in the case of *St. Regis Paper Co., petitioner, against United States*.

In this case, the majority of the Court held that the petitioner, *St. Regis Paper Co.*, was obligated to comply with an order of the Federal Trade Commission to produce file copies of reports which it had submitted to the Bureau of the Census even though sections 8 and 9 of title 13 of the United States Code purport to assure the complete confidentiality of such information supplied to the Bureau of the Census.

The Court held that "the prohibitions against disclosure contained in paragraph 9 run only against the officials receiving such information and do not purport to generally clothe census information with secrecy."

The Court further held:

Congress did not prohibit the use of the reports per se but merely restricted their use while in the hands of those persons receiving them; i.e., the Government officials. Indeed, when Congress has intended like reports not to be subject to compulsory process it has said so.

I agree with the dissenting views of Mr. Justice Black concurred in by Mr. Justices Whittaker and Stewart, that—

Our Government should not, by picayunish haggling over the scope of its promise, permit one of its arms to do that which, by any fair construction, the Government has given its word that no arm will do.

I further agree with the dissenting view that—

It is no less good morals and good law that the Government should turn square corners in dealing with the people than that the people should turn square corners in dealing with their Government.

As the dissenting views of Mr. Justice Black pointed out, the form supplied by the Census Bureau told the petitioner:

Your report is confidential and only sworn census employees will have access to it. It cannot be used for purposes of taxation, investigation, or regulation.

The purpose of the amendment to section 9 of title 13 contained in my bill is to provide the corrective treatment which the Court decision clearly indicates must be provided if the protection is to be assured.

My bill, if enacted, will preclude any future "picayunish haggling." It will assure complete confidentiality of data furnished the Bureau of the Census either in compliance with statutory requirement or in voluntary response to Census Bureau requests. It will give substance to the pledge offered by the President of the United States that, "no person can be harmed in any way by furnishing the information required."

This Presidential pledge, incidentally, conforms to the provision of section 8(c) of title 13 which states that—

in no case shall information furnished under the authority of this section be used to the detriment of the persons to whom such information relates.

As a member of the Census Subcommittee of the House Committee on Post Office and Civil Service, I intend to ask for early hearings on this bill which has also been introduced by the former chairman of this subcommittee, my distinguished colleague from Michigan [Mr. LESINSKI], and also in slightly different form by my distinguished colleague from Michigan [Mr. FORD].

WHEAT AT FOUR PRICES?

Mr. HALPERN. Mr. Speaker, I ask unanimous consent that the gentleman from Nebraska [Mr. BEERMANN] may extend his remarks at this point in the RECORD.

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

There was no objection.

Mr. BEERMANN. Mr. Speaker, 34 pages of the new farm bill are required to explain the administration's A B C D proposed wheat program.

I think it is fair to say that this is the most complicated proposal ever submitted to the Congress for any single commodity.

Any supposition that all of the complex gears provided are likely to mesh smoothly, and that all sorts of bugs will not develop is extremely naive.

I call this proposal the four-price wheat plan because it appears that there are at least four different prices which can be established for identical wheat raised on one farm by one farmer.

One price is the price he is going to get for a prescribed percentage of his wheat that theoretically is going to be used for human consumption in the United States. The Secretary of Agriculture would determine this price.

Another price is the price the farmer is supposed to get for a portion of his wheat that is theoretically going to be used for human consumption in other countries. The Secretary of Agriculture would determine this price too, and would also determine the percentage of all exported wheat that would be eligible to get this price.

The rest of a farmer's wheat would be eligible for a price support loan at a third price, determined by the Secretary.

The fourth price for a portion of a farmer's wheat would be applicable only if he planted excess acreage. The price for this wheat would be the same as the third price, minus a penalty of x cents a bushel.

This complicated structure is to be accomplished by commodity loan programs and by two different certificate plans. Each wheat farmer would get a certificate for that portion of his wheat going to domestic milling for food. Each wheat farmer would also get a certificate for that portion of his wheat going for export food uses.

The theory is that the wheat farmer would get these diverse prices by sale of these certificates to domestic millers and wheat exporters.

There are, it seems to me, some basic and extreme inequities involved in this proposal.

One of these is that the farmer who has customarily grown certain types of high quality milling wheat is discriminated against. Although there is no surplus of some types of wheat, and although buyers are ready and willing to pay a premium for such quality wheat, the producer of this wheat is going to be required to take the same cut in wheat acreage as other farmers who have increased production of kinds of wheat in surplus.

The way this complex multiple-price plan actually works is that the farmer who grows high quality milling wheat in firm demand is going to give up a part of his right to share in such firm demand to other farmers growing kinds of wheat not wanted by the market.

This disadvantage to farmers who grow kinds of wheat wanted by the market is reflected in many local situations. Certain producing areas that are able to produce quality milling wheat are going to have a substantial reduction in the amount they can sell for quality milling purposes in order that farmers in other areas may share in this market.

The program operates to freeze the uneconomical pattern of wheat production in recent years. This uneconomic pattern has been created by the 15-acre exemption, plus the incentives for maximum production. The wheat program has operated to spread wheat production in many areas and on many farms where wheat production would not have occurred except for the program.

It is time that we took action to get back to a more economic distribution of wheat production rather than to freeze the uneconomic pattern of recent years.

One of the results of the proposed multiple-price plan for wheat is well hidden beneath the complexities of the program.

This is the disposition of surplus wheat on the feed grain market on a subsidized basis.

No feed grain producer will quarrel with the use of wheat for feed if this is the result of fair, competitive marketing.

But feed grain producers do object and should object to subsidized competition in the feed grain market.

This subsidy comes about because the wheat producer gets a high price for that portion of his wheat crop that moves into domestic and foreign food use. This high price means that the wheat producer can accept a lower price for his uncertificated wheat than would otherwise be the case.

This effect of the program should not be obscured by the proposal to have a price support for uncertificated wheat. There is no place for uncertificated wheat to go except to the feed grain market. All that is produced will by necessity and in the absence of unusual circumstance eventually find its way into feed use. The delaying effect of the price-support program only increases the eventual impact of such movements.

I must confess that in reading the complex provisions of title IV-B of the administration's bill, relative to the multiple-price plan for wheat, that it is not possible to assess with accuracy the full picture of all that is involved.

The reason it is difficult is because on every page appear numerous provisions establishing discretionary authority for the Secretary of Agriculture.

This portion of the bill is filled with such phrases as: "The Secretary may permit the diverted acreage to be grazed in accordance with regulations prescribed by the Secretary." "The Secretary may require that the acreage diverted by the same as in the previous year," "as the Secretary may determine," "an amount of wheat determined by the Secretary," "the Secretary has reason to believe," "the Secretary finds," "the Secretary may," "apportioned by the Secretary," "prescribed by the Secretary," "as the Secretary determines should be considered," "the Secretary may permit producers of feed grains" to grow feed grains instead of wheat, "subject to such terms and conditions as the Secretary may prescribe," "designated by the Secretary," "the Secretary is authorized," "conservation uses approved by the Secretary," "to the extent the Secretary determines appropriate," "except as the Secretary may by regulations prescribe,"

"the Secretary shall provide for the sharing of payments," "in accord with regulations issued by the Secretary," "the Secretary shall prescribe conversion factors," "the Secretary is authorized to take such action as he determines to be necessary" and other similar phrases delegating broad powers to the Secretary of Agriculture.

Just like its forerunner, the Agricultural Act of 1961, this bill represents another and perhaps the greatest attempt at power grabbing in the legislative history of Congress. Never, to my knowledge, has Congress been asked to grant the Secretary such broad discretionary authority.

It would be, I submit, intolerable for Congress to delegate such broad powers to the Secretary of Agriculture.

I will also submit that the proposed multiple-price program for wheat is so complicated that it would be impractical for Congress to try to write more specific provisions.

All of which leads to the inescapable conclusion that this is an extraordinarily good reason why the entire proposal should not be enacted.

THE PLIGHT OF THE COTTON TEXTILE INDUSTRY

The SPEAKER. Under the previous order of the House, the gentleman from South Carolina [Mr. HEMPHILL] is recognized for 60 minutes.

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

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

There was no objection.

Mr. HEMPHILL. Mr. Speaker, the subject of this 60 minutes' time today is the same subject I have talked on so much here, that is, the subject of textiles, because I am charged with the responsibility of representing a district whose primary industry is textiles, to make sure that we leave no stone unturned and that this administration—particularly the State Department with its policies which have been so disastrous to the textile industry in the past—knows what we are thinking and knows that we are thinking, thinking constantly of ways and means to protect our textile jobs, our textile industry.

On February 15 of this year the White House issued a release through the Office of the White House Press Secretary, about the long-term cotton textile arrangement concluded at a meeting of the Cotton Textile Committee of the General Agreement on Tariffs and Trade held in Geneva, Switzerland, January 29 to February 9, 1962.

There are many of us who view with interest and usually with apprehension, especially the textile people, when the GATT negotiations are in progress. We were assured by the White House of a supposedly very happy solution.

Under permission to include extraneous matter I set forth the press release at this point in the RECORD.

The matter referred to follows:

THE WHITE HOUSE PRESS RELEASE

The President today released the text of the long-term cotton textile arrangement concluded at a meeting of the Cotton Textile Committee of the General Agreement on Tariffs and Trade held in Geneva, Switzerland, January 29 to February 9, 1962.

Nineteen nations, representing the principal cotton textile exporting and importing nations of the free world participated in drafting the arrangements.

The arrangement is for a period of 5 years beginning October 1, 1962. It is similar to an earlier agreement covering a period between October 1, 1961, and October 1, 1962, which has enabled importing countries threatened by or subjected to market disruption in any of 64 categories of cotton textiles to restrain imports to the level of fiscal year 1961.

Under the terms of the new arrangement, an importing nation threatened by or subjected to market disruption on any item or category of cotton textiles may freeze imports for 1 year to the level of the first 12 of the preceding 15 months. If this market condition persists, the freeze may be extended for yet another year. Following that, increases may be limited to 5 percent a year. In all cases the decision is made unilaterally by the importing nation.

Accompanying the agreement will be an undertaking by those nations which have maintained quantitative restraints on cotton textile imports to expand access to their markets in order to relieve pressures elsewhere.

The 6 years during which the current agreement and the proposed agreement will be in force will permit the American cotton textile industry to plan their production and to sharpen their competitive position with the confidence that foreign imports will not disrupt their activities. It marks the conclusion of another step in the seven step program announced by the President on May 2, 1961, for assistance to the American textile industry.

Both industry and labor advisers to the U.S. delegation in Geneva expressed satisfaction with the terms of the agreement.

Mr. HEMPHILL. Along with that particular release was issued a statement of the agreements, and these I extend at this point in the RECORD:

LONG-TERM COTTON TEXTILE ARRANGEMENT¹

Recognizing the need to take cooperative and constructive action with a view to the development of world trade;

Recognizing further that such action should be designed to facilitate economic expansion and promote the development of less developed countries possessing the necessary resources, such as raw materials and technical skills, by providing larger opportunities for increasing their exchange earnings from the sale in world markets of products which they can efficiently manufacture;

Noting, however, that in some countries situations have arisen which, in the view of these countries, cause or threaten to cause "disruption" of the market for cotton textiles;

Desiring to deal with these problems in such a way as to provide growing opportunities for exports of these products, provided

¹ The negotiation of this arrangement was concluded in Geneva on an ad referendum basis on Feb. 9, 1962, by representatives of the following Governments: Australia, Austria, Canada, Denmark, India, Japan, Norway, Pakistan, Portugal, Spain, Sweden, United Kingdom (also representing Hong Kong), United States, and the member states of European Economic Community (Belgium, France, Federal Republic of Germany, Italy, Luxembourg, and Netherlands).

that the development of this trade proceeds in a reasonable and orderly manner so as to avoid disruptive effects in individual markets and on individual lines of production in both importing and exporting countries;

Determined, in carrying out these objectives, to have regard to the declaration on promotion of the trade of less developed countries adopted by ministers at their meeting during the 19th session of the contracting parties in November 1961;

The participating countries have agreed, as follows:

ARTICLE 1

In order to assist in the solution of the problems referred to in the preamble to this arrangement, the participating countries are of the opinion that it may be desirable to apply, during the next few years, special practical measures of international cooperation which will assist in any adjustment that may be required by changes in the pattern of world trade in cotton textiles. They recognize, however, that the measures referred to above do not affect their rights and obligations under the General Agreement on Tariffs and Trade (hereinafter referred to as the GATT). They also recognize that, since these measures are intended to deal with the special problems of cotton textiles, they are not to be considered as lending themselves to application in other fields.

ARTICLE 2

1. Those participating countries still maintaining restrictions inconsistent with the provisions of the GATT on imports of cotton textiles from other participating countries agree to relax those restrictions progressively each year with a view to their elimination as soon as possible.

2. Without prejudice to the provisions of paragraphs 2 and 3 of article 3, no participating country shall introduce new import restrictions, or intensify existing import restrictions, on cotton textiles, insofar as this would be inconsistent with its obligations under the GATT.

3. The participating countries at present applying import restrictions to cotton textiles imported from other participating countries undertake to expand access to their markets for such cotton textiles so as to reach, by the end of the period of validity of the present arrangement, for the products remaining subject to restrictions at that date, taken as a whole, a level corresponding to the quotas opened in 1962, for such products, as increased by the percentage mentioned in annex A.

Where bilateral arrangements exist, annual increases shall be determined within the framework of bilateral negotiations. It would, however, be desirable that each annual increase should correspond as closely as possible to one-fifth of the overall increase.

4. The participating countries concerned shall administer their remaining restrictions on imports of cotton textiles from participating countries in an equitable manner and with due regard to the special needs and situation of the less-developed countries.

5. Notwithstanding the provisions of paragraph 3 above, if, during the licensing period preceding the entry into force of this arrangement, a specific basic quota is nil or negligible, the quota for the succeeding licensing period will be established at a reasonable level by the participating importing country concerned in consultation with the participating exporting country or countries concerned. Such consultation would normally take place within the framework of the bilateral negotiations referred to in paragraph 3 above.

6. Participating countries shall, as far as possible, eliminate import restrictions on the importation, under a system of temporary importation for reexport after processing, of cotton textiles originating in other participating countries.

7. The participating countries shall notify the Cotton Textiles Committee as early as possible, and in any case not less than 1 month before the beginning of the licensing period, of the details of any quota or import restriction referred to in this article.

ARTICLE 3

1. If imports from a participating country or countries into another participating country of certain cotton textile products not subject to import restrictions should cause or threaten to cause disruption in the market of the importing country, that country may request the participating country or countries whose exports of such products are, in the judgment of the importing country, causing or threatening to cause market disruption to consult with a view to removing or avoiding such disruption. In its request the importing country will, at its discretion, indicate the specific level at which it considers that exports of such products should be restrained, a level which shall not be lower than the one indicated in annex B. The request shall be accompanied by a detailed, factual statement of the reasons and justification for the request; the requesting country shall communicate the same information to the Cotton Textiles Committee at the same time.

2. In critical circumstances, where an undue concentration of imports during the period specified in paragraph 3 below would cause damage difficult to repair, the requesting participating country may, until the end of the period, take the necessary temporary measures to limit the imports referred to in paragraph 1 above from the country or countries concerned.

3. If, within a period of 60 days after the request has been received by the participating exporting country or countries, there has been no agreement either on the request for export restraint or on any alternative solution, the requesting participating country may decline to accept imports for retention from the participating country or countries referred to in paragraph 1 above of the cotton textile products causing or threatening to cause market disruption, at a level higher than that specified in annex B, in respect of the period starting on the day when the request was received by the participating exporting country.

4. In order to avoid administrative difficulties in enforcing a given level of restraint on cotton textiles subject to measures taken under this article, the participating countries agree that there should be a reasonable degree of flexibility in the administration of these measures. Where restraint is exercised for more than one product the participating countries agree that the agreed level for any one product may be exceeded by 5 percent provided that the total exports subject to restraint do not exceed the aggregate level for all products so restrained on the basis of a common unit of measurement to be determined by the participating countries concerned.

5. If participating countries have recourse to the measures envisaged in this article, they shall, in introducing such measures, seek to avoid damage to the production and marketing of the exporting country and shall cooperate with a view to agreeing on suitable procedures, particularly as regards goods which have been, or which are about to be, shipped.

6. A participating country having recourse to the provisions of this article shall keep under review the measures taken under this article with a view to their relaxation and elimination as soon as possible. It will report from time to time, and in any case once a year, to the Cotton Textiles Committee on the progress made in the relaxation or elimination of such measures. Any participating country maintaining measures under this article shall afford adequate opportunity for consultation to any participat-

ing country or countries affected by such measures.

7. Participating importing countries may report the groups or categories to be used for statistical purposes to the Cotton Textiles Committee. The participating countries agree that measures envisaged in this article should only be resorted to sparingly, and should be limited to the precise products or precise groups or categories of products causing or threatening to cause market disruption, taking full account of the agreed objectives set out in the preamble to this arrangement. Participating countries shall seek to preserve a proper measure of equity where market disruption is caused or threatened by imports from more than one participating country and when resort to the measures envisaged in this article is unavoidable.

ARTICLE 4

Nothing in this arrangement shall prevent the application of mutually acceptable arrangements on other terms not inconsistent with the basic objectives of this arrangement. The participating countries shall keep the Cotton Textiles Committee fully informed on such arrangements, or the parts thereof, which have a bearing on the operation of this arrangement.

ARTICLE 5

The participating countries shall take steps to insure, by the exchange of information, including statistics on imports and exports when requested, and by other practical means, the effective operation of this arrangement.

ARTICLE 6

The participating countries agree to avoid circumvention of this arrangement by transshipment or rerouting, substitution of directly competitive textiles and action by non-participants. In particular, they agree on the following measures:

(a) **Transshipment:** The participating importing and exporting countries agree to collaborate with a view to preventing circumvention of this arrangement by transshipment or rerouting and to take appropriate administrative action to avoid such circumvention. In cases where a participating country has reason to believe that imports shipped to it from another participating country and purporting to have originated in that country did not originate there, it may request that country to consult with it with a view to assisting in the determination of the real origin of the goods.

(b) **Substitution of directly competitive textiles:** It is not the intention of the participating countries to broaden the scope of this arrangement beyond cotton textiles but, when there exists a situation or threat of market disruption in an importing country in terms of article 3, to prevent the circumvention of this arrangement by the deliberate substitution for cotton of directly competitive fibers. Accordingly, if the importing participating country concerned has reason to believe that imports of products in which this substitution has taken place have increased abnormally, that is, that this substitution has taken place solely in order to circumvent the provisions of this arrangement, that country may request the exporting country concerned to investigate the matter and to consult with it with a view to reaching agreement upon measures designed to prevent such circumvention. Such request shall be accompanied by a detailed, factual statement of the reasons and justification for the request. Failing agreement in the consultation within 60 days of such request, the importing participating country may decline to accept imports of the products concerned as provided for in article 3 and, at the same time, any of the participating countries concerned may refer the matter to the Cotton Textiles Committee which shall make

such recommendations to the parties concerned as may be appropriate.

(c) **Nonparticipants:** The participating countries agree that, if it proves necessary to resort to the measures envisaged in article 3 above, the participating importing country or countries concerned shall take steps to insure that the participating country's exports against which such measures are taken shall not be restrained more severely than the exports of any country not participating in this arrangement which are causing, or threatening to cause, market disruption. The participating importing country or countries concerned will give sympathetic consideration to any representations from participating exporting countries to the effect that this principle is not being adhered to or that the operation of this arrangement is frustrated by trade with countries not party to his arrangement. If such trade is frustrating the operation of this arrangement, the participating countries shall consider taking such action as may be consistent with their law to prevent such frustration.

ARTICLE 7

1. In view of the safeguards provided for in this arrangement the participating countries shall, as far as possible, refrain from taking measures which may have the effect of nullifying the objectives of this arrangement.

2. If a participating country finds that its interests are being seriously affected by any such measure taken by another participating country, that country may request the country applying such measure to consult with a view to remedying the situation.

3. If the participating country so requested fails to take appropriate remedial action within a reasonable length of time, the requesting participating country may refer the matter to the Cotton Textiles Committee which shall promptly discuss such matter and make such comments to the participating countries as it considers appropriate. Such comments would be taken into account should the matter subsequently be brought before the contracting parties under the procedures of article XXIII of the GATT.

ARTICLE 8

The Cotton Textiles Committee, as established by the contracting parties at their 19th session, shall be composed of representatives of the countries party to this arrangement, and shall fulfill the responsibilities provided for it in this arrangement:

(a) The committee shall meet from time to time to discharge its functions. It will undertake studies on trade in cotton textiles as the participating countries may decide. It will collect the statistical and other information necessary for the discharge of its functions and will be empowered to request the participating countries to furnish such information.

(b) Any case of divergence of view between the participating countries as to the interpretation or application of this arrangement may be referred to the committee for discussion.

(c) The committee shall review the operation of this arrangement once a year and report to the contracting parties. The review during the third year shall be a major review of the arrangement in the light of its operation in the preceding years.

(d) The committee shall meet not later than 1 year before the expiry of this arrangement, in order to consider whether the arrangement should be extended, modified, or discontinued.

ARTICLE 9

For purposes of this arrangement the expression "cotton textiles" includes yarns, piece goods, made-up articles, garments, and other textile manufactured products, in

which cotton represents more than 50 percent (by weight) of the fiber content, with the exception of handloom fabrics of the cotton industry.

ARTICLE 10

For the purposes of this arrangement, the term "disruption" refers to situations of the kind described in the decision of the contracting parties of November 19, 1960, the relevant extract from which is reproduced in annex C.

ARTICLE 11

1. This arrangement is open for acceptance, by signature or otherwise, to governments, parties to the GATT or having provisionally acceded to that agreement, provided that if any such government maintains restrictions on the import of cotton textiles from other participating countries, that government shall, prior to its accepting this arrangement, agree with the Cotton Textiles Committee on the percentage by which it will undertake to increase the quotas other than those maintained under article XII or article XVIII of the GATT.

2. Any government which is not party to the GATT or has not acceded provisionally to the GATT may accede to this arrangement on terms to be agreed between that government and the participating countries. These terms would include a provision that any government which is not a party to the GATT must undertake, on acceding to this arrangement, not to introduce new import restrictions or intensify existing import restrictions, on cotton textiles, insofar as such action would, if that government had been a party to the GATT, be inconsistent with its obligations thereunder.

ARTICLE 12

1. This arrangement shall enter into force on October 1, 1962, subject to the provisions of paragraph 2 below.

2. The countries which have accepted this arrangement shall, upon the request of one or more of them, meet within 1 week prior to October 1, 1962, and, at that meeting, if a majority of these countries so decide, the provisions of paragraph 1 above may be modified.

ARTICLE 13

Any participating country may withdraw from this arrangement upon the expiration of 60 days from the day on which written notice of such withdrawal is received by the Executive Secretary of GATT.

ARTICLE 14

This arrangement shall remain in force for 5 years.

ARTICLE 15

The annexes to this arrangement constitute an integral part of this arrangement.

ANNEXES

ANNEX A

(The percentages in this annex will be communicated in due course.)

ANNEX B

1. (a) The level below which imports or exports of cotton textile products causing or threatening to cause market disruption may not be restrained under the provisions of article 3 shall be the level of actual imports or exports of such products during the 12-month period terminating 3 months preceding the month in which the request for consultation is made.

(b) Where a bilateral agreement on the yearly level of restraint exists between participating countries concerned covering the 12-month period referred to in paragraph (a), the level below which imports of cotton textile products causing or threatening to cause market disruption may not be restrained under the provisions of article 3 shall be the level provided for in the bilateral agreement in lieu of the level of actual

imports or exports during the 12-month period referred to in paragraph (a).

Where the 12-month period referred to in paragraph (a) overlaps in part with the period covered by the bilateral agreement, the level shall be:

(i) the level provided for in the bilateral agreement, or the level of actual imports or exports, whichever is higher, for the months where the period covered by the bilateral agreement and the 12-month period referred to in paragraph (a) overlap; and

(ii) the level of actual imports or exports for the months where no overlap occurs.

2. Should the restraint measures remain in force for another 12-month period, the level for that period shall not be lower than the level specified for the preceding 12-month period, increased by 5 percent. In exceptional cases, where it is extremely difficult to apply the level referred to above, a percentage between 5 and 0 may be applied in the light of market conditions in the importing country and other relevant factors after consultation with the exporting country concerned.

3. Should the restraining measures remain in force for further periods, the level for each subsequent 12-month period shall not be lower than the level specified for the preceding 12-month period, increased by 5 percent.

ANNEX C

Extract from the contracting parties' decision of November 19, 1960:

"These situations (market disruption) generally contain the following elements in combination:

"(i) a sharp and substantial increase or potential increase of imports of particular products from particular sources;

"(ii) these products are offered at prices which are substantially below those prevailing for similar goods of comparable quality in the market of the importing country;

"(iii) there is serious damage to domestic producers or threat thereof;

"(iv) the price differentials referred to in paragraph (ii) above do not arise from governmental intervention in the fixing or formation of prices or from dumping practices.

"In some situations other elements are also present and the enumeration above is not, therefore, intended as an exhaustive definition of market disruption."

ANNEX D

For the purposes of applying article 9, the following list of the groups or subgroups of the S.I.T.C. is suggested. This list is illustrative and should not be considered as being exhaustive.

	SITC Rev.	BTN
I Cotton yarns and fabrics.	651.3	55.05
	.4	.06
	652	.07
		.09
II Cotton made-up articles and special fabrics.	ex 653.7	58.04A
	ex 654	ex 46.02
	ex 655	ex 58.01-03
	ex 656	ex 58.05-10
	ex 657	ex 59.01-17
		ex 60.01
III Cotton clothing-----	ex 841	ex 62.01-05
		ex 65.01-02
		ex 69.02-06
		ex 61.01-11
		ex 65.03-07

ANNEX E

Interpretative notes

1. Add article 3, paragraph 3: In Canada, there is no legislation whereby imports may be limited in a precise quantitative manner as envisaged in this paragraph. The provision available for limiting imports in order to avoid injury or a threat of injury to a

domestic industry is contained in section 40A(7)(c) of the Customs Act which authorizes the application of special values for duty purposes. These special values cannot be used to achieve a precise level of imports. Accordingly, the participating countries recognize that, should Canada find it necessary to take action to limit imports pursuant to this arrangement, it would not be in a position to insure that imports would not fall below the minimum level as defined in this paragraph.

2. Add article 9: Notwithstanding the provisions of article 9, any country which is applying a criterion based on value will be free to continue to use that criterion for the purposes of article 9.

Mr. HEMPHILL. I also wish to insert in the RECORD at this point certain press releases on this particular story, for it has some impact on what I have to say.

The matter referred to follows:

[From the Washington (D.C.) Star, Feb. 16, 1962]

NINETEEN-NATION PACT SEEKS TEXTILE IMPORTS CURB

(By Lee M. Cohn)

The Kennedy administration, bidding for congressional support of its tariff-cutting proposals, today released the text of a 19-nation agreement designed to hold down "disruptive" imports of cotton textiles.

Under terms of the pact, the United States could freeze imports of cotton textiles at about current levels for 2 years. In each of the 3 ensuing years, the United States would have to permit a 5-percent increase in the imports.

Cotton textile manufacturers here have complained bitterly about competitive imports of low-priced yarn, cloth, and apparel from Japan, Hong Kong, and elsewhere.

These manufacturers and their employees' unions have threatened through their representatives in Congress to oppose the President's request for broad new tariff-cutting powers, unless the administration stems the flow of cotton textiles.

VOTES ARE NEEDED

With a close fight on the tariff bill expected this spring, the administration feels it needs the votes of textile-State Congressmen—concentrated mostly in New England and the South.

The 19-nation agreement, together with other measures to help the American textile industry, is aimed at winning this crucial support. The Associated Press reported that textile-State Congressmen, briefed on terms of the pact, expressed general satisfaction.

But some Japanese industrialists have complained about the agreement, because it would allow the United States to restrict imports unilaterally. U.S. officials, however, said the Japanese Government delegation approved the pact without reservation.

The agreement was negotiated last week at Geneva. It will go into force next October 1 for 5 years—replacing a 1-year pact expiring then—if the negotiating nations sign.

PLANNING SEEN ALLOWED

Halling the agreement in a statement, the White House said it "will permit the American cotton textile industry to plan their production and to sharpen their competitive position with the confidence that foreign imports will not disrupt their activities."

White House officials said the United States "got more than we asked for" in machinery to protect American industry against competitive cotton textile imports.

At the same time, they said, Japan and the other exporters achieved valuable concessions, because the six nations of the European Common Market committed themselves to move toward elimination of their import quotas on cotton textiles.

The United States hopes to cushion the impact of its restrictions on Japanese imports by opening up other markets—mainly in Europe—to Japanese textiles.

Officials said complex formulas in the pact boil down to this:

If the United States or another importer decides that increased imports of any category of cotton textiles threaten to disrupt the domestic market, it will ask the exporting country to restrict its exports to a specific level.

If no agreement is reached within 60 days, the importing country may impose the restrictions—in effect, import quotas—unilaterally. In emergencies, the importing country may clamp down immediately, without waiting 60 days.

Under the formula, the United States next fall could freeze imports from Japan, for example, at the level of the year ended last June 30. This freeze would remain in effect up to 2 years.

FIVE-PERCENT QUOTA INCREASE

If the United States decided to continue restrictions, it would increase the quota in the third year by 5 percent. Additional 5-percent increases would be required in the fourth and fifth years.

Thus, the agreements will permit the United States and other importing countries to limit the increase of imports to 15 percent over the 5-year term of the pact.

The United States would not be required to impose the curbs, and the pact states that the restraints "should only be resorted to sparingly."

Existence of the agreement, officials said, will influence Japan and other exporters to exercise restraint. They will know that any big increase in their exports would carry the risk of quotas.

JAPANESE POSITION

Some Japanese industrialists have said they will urge their government to refuse to sign the Geneva agreement if the 8½-cent "equalization fee" is imposed. American officials insisted there is no connection between the fee and the Geneva pact.

Even if Japan refuses to sign the agreement, the United States could impose restrictions on imports unilaterally.

The 19 nations that negotiated the pact account for more than 90 percent of the non-Communist world's trade in cotton textiles. They are Australia, Austria, Canada, Denmark, India, Japan, Norway, Pakistan, Portugal, Spain, Sweden, United Kingdom (also representing Hong Kong), United States and the six members of the European Common Market—Belgium, France, West Germany, Italy, Luxembourg, and Netherlands.

NINETEEN NATIONS PUBLISH TEXTILE TRADE PACT

(By Carroll Kilpatrick)

The United States and 18 other nations yesterday published an agreement negotiated at Geneva by which they will attempt to stabilize the foreign trade in cotton textiles.

Exporting nations like Japan and India agreed to limit sales that threaten to "disrupt" markets in other countries. European importing nations agreed to end quota restrictions over a 5-year period.

President Kennedy called for the negotiations last May as part of a 7-point program to help this country's textile industry meet foreign competition and technological change.

By making concessions to the powerful textile industry, he is believed to have removed some of the opposition to his new trade program now before Congress. The White House said both industry and labor advisers to the American delegation in Geneva "expressed satisfaction with the terms of the agreement."

Congressmen from textile-manufacturing States indicated approval of the accord. These legislators, particularly southerners, in recent years have turned away from their historical support of liberal trade policies because of the growing competition from foreign textile imports.

Representative CARL VINSON, Democrat of Georgia, leader of the powerful textile bloc in the House, lauded Mr. Kennedy in a letter for "the noteworthy stand which you have taken" in the negotiations at Geneva that preceded the agreement.

Some other American industries have urged that they be given similar protection but the agreement pointedly says that it does not lend itself to application in other fields.

The agreement is designed to help Japan and other textile exporters by opening new markets in countries that now impose textile import quotas. It also means that textile exporters should be able to maintain or slightly increase their level of shipments to the United States.

The 19 countries that signed the 5-year agreement account for more than 90 percent of the free world cotton textile trade. The Cotton Textile Committee of the General Agreement on Tariffs and Trade conducted the negotiations, which ended February 9.

Under the terms of the arrangement, an importing nation threatened by or subjected to market disruption may freeze cotton textile imports for a year at the level of the first 12 of the preceding 15 months.

If the market condition persists, the freeze may be extended for another year. After that, increases may be limited to 5 percent a year for 3 years.

The agreement "will permit the American cotton textile industry to plan their production and to sharpen their competitive position with the confidence that foreign imports will not disrupt their activities," a White House statement said.

Following are the countries that took part in the negotiations: Australia, Austria, Canada, Denmark, India, Japan, Norway, Pakistan, Portugal, Spain, Sweden, United Kingdom (also representing Hong Kong), the United States and the Common Market (Belgium, France, West Germany, Italy, Luxembourg, and the Netherlands).

The new agreement goes into effect October 1 for the countries that ratify it.

Mr. HEMPHILL. Let me say here that I am most happy that finally we have a President of the United States who, in keeping with campaign promises, is trying to do something about the textile industry. As I said here before on many occasions, I went to the White House and elsewhere on different occasions under another administration and received all sorts of promises and at that time had some hope, but the promises were never fulfilled. Now, I think this administration and its various administrators have an opportunity to show me and the textile people they mean what they have said.

There are certain questions I think ought to be asked in public.

First. Is the same old crowd going to have charge, the policymakers that have sold the textile industry down the river, those policymakers in the State Department who have done so much to take away the jobs of textile people and to import foreign goods at the cost of American industry and the American consumer dollar? Are their ways going to be followed again, because of administration by the same people?

We have a little group in the House of Representatives we call the House

textile group. It is a group of legislators of both parties who are affected by any trade or textile agreements or by any legislation or by any administrative orders. They are affected also by the policies of the State Department on textiles.

Second. On February 13 we sent up to the Tariff Commission a statement on section 22, because we were talking at that time about import fees which I think are very necessary. The import fee is very important. We, in the textile areas, are waiting to see whether or not the Tariff Commission, in keeping with the overwhelming testimony that has been presented there, and the fact that we live with this thing, and we are those who are the people being hurt by the importers, whether this import fee is going into effect. I think favorable action will be proof of the fact that this administrative agency, in keeping with the policy set forth by the President of the United States, is trying to help the textile industry. Here is the statement:

STATEMENT ON BEHALF OF HOUSE TEXTILE GROUP TO U.S. TARIFF COMMISSION IN THE COTTON TEXTILE CASE UNDER SECTION 22 OF THE AGRICULTURAL ADJUSTMENT ACT, FEBRUARY 13, 1962

Mr. Chairman and members of the Commission, we appreciate your courtesy in hearing us at this time. Those members of the House interested in fiber and textile matters met this morning under the chairmanship of Representative VINSON to discuss the matter now pending before you. The statement which we shall now present to you was formulated and approved by the group as a whole in that meeting.

Like the Department of Agriculture and the domestic cotton industry, we believe that an import fee on cotton products entering this country equivalent to the raw cotton export subsidy should be promptly imposed. Imports of cotton yarn, cloth, apparel, and other products are now clearly at levels which are rendering ineffective and materially interfering with this Government's cotton programs and which are substantially reducing the amount of products processed in the United States from cotton. We note that in previous section 22 cases the Tariff Commission has ruled that imports of more than 30,243 bales of upland-type raw cotton and 2 bales of cotton picker lap per year would constitute interference with the Department of Agriculture's cotton programs. In both cases, the President accepted the Tariff Commission's finding, and rigid import quotas of these amounts were imposed and remain in effect. We note that in the year 1960, according to the Department of Agriculture's statistics, the cotton equivalent of cotton textile imports amounted to over one-half million bales and is currently in the neighborhood of 400,000 bales per year. In other words, there is now coming into this country in manufactured form every month more cotton than the total amount set by this Commission of upland types and picker lap for a full year. Clearly, quick action is needed.

Just one point more, Mr. Chairman: Our morning mail and the newspapers for days have been full of importer propaganda directed at this Government and this Commission in the present case. None of it has anything to do with the present hearing. This hearing is being conducted under a long-existing act of Congress which provides an essential protection for the agricultural programs of this Government. This Commission is conducting a proper investigation under existing U.S. law and in clear

conformity with congressional intent in that legislation. We believe that the facts being brought out in this investigation by the Department of Agriculture witnesses and others clearly support the need for imposition of the offset import fee suggested by the Department of Agriculture.

Thank you very much.

On February 15 we sent to the White House a letter thanking the President. I think it appropriate that that particular letter be inserted in the RECORD at this point. It is a letter signed by the gentleman from Georgia [Mr. VINSON], who is our chairman, and is as follows:

HOUSE OF REPRESENTATIVES, COMMITTEE ON ARMED SERVICES, HOUSE OFFICE BUILDING, Washington, D.C., February 15, 1962.

THE PRESIDENT, The White House, Washington, D.C.

DEAR MR. PRESIDENT: Although we have not yet seen the actual text of the International Cotton Textile Arrangement concluded at Geneva on February 9, 1962, we understand that the United States will hold the level of imports of cotton textile products for a 5-year term at virtually the present level.

As you know, we have been gravely alarmed by the erosion of the American textile industry. We have been distressed by American workers being thrown out of their jobs as a result of the flood of foreign textile imports.

It was therefore with great pleasure, Mr. President, that we learned of your program of May 2, 1961, for assistance to the U.S. textile industry.

We now wish to take this opportunity to congratulate you upon the noteworthy step which you have taken, as part of your program, in negotiating a long-term arrangement at Geneva between the United States and the 18 other principal cotton textile countries of the free world. This is, indeed, an important move in the right direction for cotton textiles, and we would hope that the administration would now promptly move on wool and other textile fibers, which are in an even worse position, but which understandably could not be dealt with on this particular occasion.

Your confirmation that our understanding of the arrangement expressed in the first paragraph above is correct would be immensely gratifying to us and would act as a great stimulus to the American textile industry in modernization and advancement as a driving and fundamental force in our national economy. Last, we sincerely hope that the operation of the long-term arrangement will be carried out in such a way that its force is not modified or diluted by administrative judgment or action.

Respectfully yours,

CARL VINSON,
Chairman, House Textile Conference Group.

People ask why are we concerned I want to tell you about a little plant in my district, tell you how the thing goes and what happens. I will not call the name of that plant for fear of reprisal. We will call it the B Company, owned by outside interests. They had a small plant in this city which employed 50 to 60 people. Last fall they closed down, dismantled the machinery, sent the superintendent and other officers, as well as some of the machinery, to another country where they have set up a plant to do the same thing in mills they control over there, which were built by American dollars.

I have responsibility here to these 50 or 60 people. They cannot work, cannot compete with cheap cotton, cheap labor, and the chance to perhaps export to the United States under the foolish policy of the State Department.

What are we going to say to those 50 or 60 people? They are Americans. They are taxpayers, homeowners, people who want the dignity of employment and the dignity of having a dollar, the ability to pay their bills, and other things that go along with making a decent living.

Where is our responsibility? Do we just write them off? They pay the taxes that go to pay the people in the State Department that serves other governments before they serve our Government, and I make that as a public statement.

We have been worried. We have a mill in my district run by Mr. Charlie Cannon, who is an able textileman and a successful businessman. He came out on February 18 saying he was afraid that the government textile policies are going to kill off the textiles.

I think the country would be better off to write off the State Department and keep the textiles, rather than writing off the textiles and keeping the State Department. So far as I can see, they have not had success in so long they do not know how to win. Certainly the textile people have suffered. The State Department has never won a battle for our textile people. Have they ever really fought for us?

I include the following article as a part of my remarks:

CANNON: GOVERNMENT'S TARIFF POLICIES WILL KILL TEXTILES

KANNAPOLIS, N.C.—"If the Government has its way with tariff rates, there will be no textile industry in 50 years. We will be in the same position as the West Virginia and Pennsylvania coal fields."

Who's talking?

These are the words of a quiet, quick-witted textile magnate—Charles A. Cannon, who'll be 70 next November 29.

"There are 2 million persons employed in the American textile industry," Cannon told Alex Coffin of the Charlotte News in one of his infrequent interviews. "The Government says it will retrain these people that lose their jobs through the import policies. What about the unemployed now? Why aren't they being retrained?"

"You'll live to see the day when we depend on foreign countries for our clothes. If war comes, what will we do?"

Cannon, a relaxed, friendly man sporting a twinkle in his eyes, blames the plight of the cotton industry on five factors:

The United States furnishing equipment at low prices or no cost to underdeveloped countries.

The low wages paid in foreign countries that are 10 to 50 percent of the American wage.

The availability of cotton at no cost to foreign countries under the Public Law 480. Low tariff rates.

Export subsidy of 9½ cents a pound or \$42.50 a bale.

"One-half of the jobs in North Carolina industry are at stake," says the balding, medium-sized leader of the Cannon Mills empire and one of the South's biggest employers. "Textile workers in North Carolina are the best in the world. I'd put them up against any workers. But they haven't had a fair deal."

Cannon, a bespectacled bridge and baseball fan who maintains a pace that would test a far younger man, recommends a three-point program for bolstering the cotton industry:

Collect from importers an equalization fee to offset the advantage given to foreign producers who now buy American cotton 8½ cents a pound under the price given by American mills.

Establish fair quota limitations on imports of textiles from low-wage countries.

Insist that many other countries increase their imports from the areas requiring help through increase in exports of the products of those areas and thus relieve the growing pressure on the United States.

Cannon was born November 29, 1892, a block from the two-story frame home he now occupies on North Union Street in Concord.

James W. Cannon, father of the present operator, started the mill operations 75 years ago, and he died in 1921. He had six sons. Charles, the only survivor of the six, was elected president of the firm at age 29 when there were 6,700 employees. That number has increased threefold.

He is active in the Presbyterian Church, doesn't drink or smoke, and has made large gifts to education and medicine. Possibly his biggest monument is Cabarrus Memorial Hospital, which he has virtually supported for 25 years. He has made large contributions to Wingate Junior College. He is a trustee of both the University of North Carolina and Duke University.

A 2-hour interview brought on an assortment of opinions from North Carolina's most widely known textile tycoon. Such as:

Italy before World War II—"If Mussolini had died in 1935, he'd be their greatest hero"—tariff rates—"They are killing the textile industry"; Edward R. Murrow, head of U.S. Information Service—"Cannon doesn't like him; the Common Market—"It won't work"; and flu shots—"Cannon Mills gives them with a pistol-type injection."

The so-called Reciprocal Trade Extension Act expires this year. I say "so-called" because if Cordell Hull were to come back among us, and see what has been done to his reciprocal trade policy, he would think that certainly America was departing from all the concepts which he so completely and nobly espoused here. What they have done is to take the reciprocal trade policy up to the State Department where they have remodeled and revamped it and made it into a one-world idea, subjugating the American businessman to foreign domination, economically, politically, and otherwise and, if the United Nations continues, perhaps militarily.

I was interested in what was happening, because I had been given information about how much we in South Carolina exported to other countries. Once I had the list I asked the gentleman who brought it down to me how much it cost. I said, "What did you spend all this money for?" I said, "This is nothing but propaganda. What did you spend all this money for? I do not approve of it. Why do you not tell the story of the textiles, and when you tell the story of the textiles come back?" Well, he never has come back. So, I made the request as to how much we were exporting. I include as part of my remarks at this point an export survey entitled "Fact and Fiction" and the accompanying papers, which is information that I think is very important.

STATE-BY-STATE EXPORT SURVEY OF DEPARTMENT OF COMMERCE FACT AND FICTION

Attached to this memorandum is a copy of a press release issued by Secretary of Commerce Luther H. Hodges on Monday, January 29, purporting to give the "results of nationwide survey by the Bureau of the Census pinpointing for the first time the value of manufactured products exported from each of the 50 States during 1960."

The Department of Commerce sent to a large number of manufacturing plants in this country a questionnaire on which it noted that answer was required by law. The replies to this questionnaire constitute the data obtained on the survey by the Bureau of the Census of the Department of Commerce. The figures so obtained have, however, been greatly increased by the Office of Business Economics and the Bureau of International Programs of the Department of Commerce.

The publicity secured on the press release and on this survey is another example of the propaganda in support of the Trade Expansion Act of 1962 which requires careful scrutiny rather than acceptance with confidence in the data set forth.

In the instructions on the questionnaire the reporting plant is specifically directed to include, in its report of dollar value of exports, "sales to the U.S. Government in this country for shipment abroad under military and economic assistance programs."

Thus, the total value of exports as reported by the manufacturers at \$9.8 billion is inflated by the inclusion of an unknown quantity of exports by the United States for which no dollars were received. To this extent, it is a fiction to cite the \$9.8 billion as value of exports in foreign trade although a letter from Secretary Hodges to the companies answering the questionnaire said: "The purpose of this survey is to help assess the impact of foreign trade on our economy."

This method of attributing dollar value to exports for which no dollars are received in the United States and of indicating these values in alleged receipts from exports has been considered in another memorandum. These figures do not reflect "trade" as the word is generally understood and as the dictionaries define its meaning.

In this field the administration propagandists have taken a lesson from "Alice in Wonderland":

"When I use a word," Humpty-Dumpty said, "it means just what I choose it to mean—neither more nor less."

The economists and statisticians of the various divisions of the Department of Commerce have made no effort to deduct from the reported \$9.8 billion value of exports the amount required to be reported on sales to our Government for shipment abroad under military and economic assistance. On the contrary, they have increased the reported \$9.8 billion value of exports by adding \$5.7 billion (an increase of over 58 percent) which admittedly have not been reported by the plants answering the survey but have been estimated by some formula—not ascertained by factual reporting. This extremely high percentage increase of the reported \$9.8 billion to \$15.5 billion, considering also the inclusion of military and economic assistance, makes the result a fiction disguised as an estimate.

One example will show on an industry basis the phenomenal results obtained by the methods used in this survey and estimate. In the table which is headed: "Value of Exports of Manufactured Products, by Region and State, and by Major Product Group: 1960," under the heading: "Apparel and related products" the following is set forth, the quoted items indicating descriptions as they appear in the report, the explanations in parentheses being added:

"Reported by manufacturers, \$1.2 million."

"Total value f.o.b. producing plant (estimated by Department of Commerce economists and statisticians), \$213.7 million."

"Total value at port (estimated by Department of Commerce economists and statisticians), \$239.5 million."

Increase over reports from plants, \$238.3 million.

Percent of increase over manufacturers' reports, 19,858—one-third percent.

Regardless of any claimed justification for such increase in total exports of the products of any industry, there can be no reasonable basis for the attempt to allocate dollar value of exports thus increased to specific States. For example, even if all the reports of \$1.2 million exports of apparel and related products came from plants in New York State, no sound economist or statistician would inflate this figure by over 5,000 percent to develop an estimate of the exports of such products from New York State.

This fallacy is further illustrated by an examination of "data" relating to States. In the second paragraph of the press release the Department of Commerce has given "data" on exports from five States. The following tabulation shows the press release figures in comparison with the reports from manufacturing plants:

From the State of New York:	
Total value of exports as reported in press release.....	Million \$1,417.4
Total value of exports as reported by manufacturers.....	\$888.1
Increased by Commerce Department.....	
Percent of increase over reports.....	59.6
From the State of Illinois:	
Total value of exports as reported in press release.....	\$1,407.8
Total value of exports as reported by manufacturers.....	\$971.1
Increased by Commerce Department.....	
Percent of increase over reports.....	45.0
From the State of California:	
Total value of exports as reported in press release.....	\$1,302.6
Total value of exports as reported by manufacturers.....	\$809.7
Increased by Commerce Department.....	
Percent of increase over reports.....	60.9
From the State of Ohio:	
Total value of exports as reported in press release.....	\$1,299.4
Total value of exports as reported by manufacturers.....	\$921.5
Increased by Commerce Department.....	
Percent of increase over reports.....	41.0
From the State of Pennsylvania:	
Total value of exports as reported in press release.....	\$1,189.5
Total value of exports as reported by manufacturers.....	\$795.7
Increased by Commerce Department.....	
Percent of increase over reports.....	49.5

The press release also repeats the statement that "approximately 6 million American workers are employed in manufacturing plants which produce for export." As has been noted with reference to this figure, no claim is made that these 6 million workers are employed in producing goods for export. It is merely claimed that they are employed in the plants at which some, possibly mini-

mal, amount of production goes into exports for sale or for military and economic assistance programs.

So far as is known, the Department of Commerce is not making a survey to determine the number of jobs exported as a result of increased imports displacing the products of the domestic textile, shoe manufacturing, and other industries.

A more detailed analysis may possibly be prepared, although it does not seem to be really required to refute the statement that this survey reveals "the specific stake each of our 50 States has in reaching rapidly expanding free world markets." The figures do not supply, as claimed, "graphic proof of that vital stake."

The figures on exports sold from plants in each State are, in fact, misleading.

SECRETARY HODGES RELEASES STATE-BY-STATE EXPORT SURVEY

Secretary of Commerce Luther H. Hodges today disclosed results of nationwide survey by the Bureau of the Census, pinpointing for the first time the value of manufactured products exported from each of the 50 States during 1960.

The survey, the first of its kind ever completed, showed New York to be the top U.S. exporter of manufactured goods, with total shipments of \$1,417.4 million going abroad. Other leaders are Illinois, \$1,407.8 million; California, \$1,302.6 million; Ohio, \$1,299.4 million, and Pennsylvania, \$1,189.5 million.

The survey also reveals that approximately 6 million American workers are employed in manufacturing plants which produce for export, Secretary Hodges said.

"The figures," he declared, "bolster our conviction that exports create jobs, help keep our living standards high, and strengthen our ability to maintain our strong ties with the free world."

However, the Secretary called for redoubled efforts on the part of American business to further expand exports to benefit the domestic economy and improve the U.S. balance of payments.

Though the United States during 1960 attained a record high in total export trade—\$19.5 billion in goods and \$8 billion in services—this represents only slightly more than 5 percent of our gross national product—less than any other developed Western nation, the Secretary said.

He further remarked: "This new survey reveals for the first time the specific stake each of our 50 States has in reaching rapidly expanding free world markets. I think these figures provide all of us with graphic proof of that vital stake, and will help us to do even better in the future."

The survey, based on questionnaires returned by companies employing more than 100 workers for each plant exporting more than \$25,000 in 1960, also provides State-by-State estimates of exports by major product group.

Total exports of manufactured goods in 1960 were valued at \$15.5 billion f.o.b. plant. Individual exporting plants in the Census Bureau survey reported \$9.8 billion of this total. The geographic origin of the remaining \$5.7 billion not reported was estimated by the Commerce Department's Office of Business Economics and Bureau of International Programs, based upon data supplied by the Census Bureau and by the Bureau of Labor Statistics, U.S. Department of Labor.

The 6 million employees in plants reporting in the survey do not include employees of manufacturers who supply component parts of raw materials to plants; e.g., steel, tires, glass, etc., used in producing such items as assembled automobiles for export; or transportation and distribution services related to exports.

A table showing estimated value of exports by State and product group follows.

West Virginia	156.1 (125.3)	2.6 (D)	.5 (D)	.5 (D)	.4 (D)	1.5 (D)	.1 (D)	.2 (D)	.3 (D)	78.2 (65.5)	.8 (D)	S (D)	S (D)	5.4 (3.3)	W (D)	4.4 (2.5)	11.5 (D)	7.2 (D)	.1 (D)	.2 (D)	.2 (D)
North Carolina	391.8 (128.0)	17.9 (D)	199.4 (D)	82.1 (13.7)	4.1 (D)	6.9 (D)	4.8 (D)	14.4 (9.7)	.8 (D)	13.4 (8.9)	.1 (D)	.8 (D)	.2 (D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)
South Carolina	121.8 (30.4)	5.2 (D)	4.1 (D)	72.1 (D)	2.3 (D)	3.6 (D)	.3 (D)	8.4 (D)	.2 (D)	V (D)	.1 (D)	.9 (D)	S (D)	1.5 (D)	T (D)	1.1 (D)	1.6 (D)	.2 (D)	.2 (D)	.5 (D)	.2 (D)
Georgia	230.8 (107.0)	27.1 (3.2)	1.0 (D)	38.6 (5.9)	6.8 (D)	5.7 (D)	.8 (D)	48.7 (35.8)	.9 (D)	33.3 (D)	.1 (D)	.5 (D)	1.6 (D)	.9 (D)	.9 (D)	1.0 (D)	14.8 (10.3)	1.6 (1.3)	45.0 (1.3)	.7 (D)	1.5 (D)
Florida	158.8 (85.1)	22.3 (2.9)	12.8 (D)	.4 (D)	.9 (D)	2.9 (D)	.8 (D)	43.1 (32.7)	1.1 (D)	58.1 (45.4)	.7 (D)	.4 (D)	.1 (D)	(D)	.4 (D)	(D)	2.7 (1.2)	S (D)	1.4 (D)	3.8 (D)	5.4 (D)
East South Central	587.3 (324.9)	74.3 (22.8)	37.9 (1.1)	34.2 (6.7)	15.4 (D)	15.5 (D)	2.9 (D)	49.1 (30.0)	2.5 (D)	145.8 (117.1)	.4 (D)	17.1 (D)	2.8 (D)	10.1 (6.4)	38.4 (34.6)	29.5 (19.9)	50.0 (33.5)	27.7 (21.5)	23.1 (13.6)	2.0 (D)	8.6 (2.7)
Kentucky	178.4 (102.2)	12.3 (1.8)	33.1 (1.1)	.9 (D)	4.4 (D)	1.9 (D)	.5 (D)	.8 (D)	.7 (D)	44.2 (39.6)	.3 (D)	.6 (D)	.4 (D)	7.6 (D)	7.0 (4.3)	29.2 (20.3)	V (D)	V (D)	V (D)	S (D)	S (D)
Tennessee	220.1 (132.0)	35.2 (15.6)	4.8 (D)	13.4 (3.1)	5.2 (D)	3.8 (D)	1.4 (D)	15.0 (11.1)	1.1 (D)	71.1 (57.3)	.3 (D)	8 (D)	1.8 (D)	.7 (D)	(D)	18.3 (6.2)	9.6 (5.4)	6.5 (2.0)	3.4 (2.0)	T (D)	5.2 (1.6)
Alabama	109.2 (54.4)	13.2 (.8)	(D)	18.3 (3.5)	2.7 (D)	5.5 (D)	.3 (D)	5.6 (D)	.4 (D)	19.0 (13.7)	.1 (D)	6.6 (D)	.1 (D)	(D)	(D)	3.7 (D)	7.0 (D)	T (D)	2.9 (1.1)	S (D)	(D)
Mississippi	77.0 (36.1)	13.2 (4.4)	(D)	1.4 (D)	3.1 (D)	4.2 (D)	.5 (D)	27.4 (D)	.2 (D)	11.4 (6.5)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)
West South Central	1,243.3 (938.2)	218.6 (131.9)	(D)	4.4 (D)	7.3 (D)	12.5 (D)	2.3 (D)	21.1 (15.7)	3.7 (D)	372.1 (320.7)	265.9 (217.9)	8.7 (5.7)	1.1 (D)	3.3 (2.1)	139.8 (117.7)	27.2 (13.4)	113.5 (93.3)	8.7 (5.0)	20.2 (9.0)	8.14 (4.7)	4.8 (.8)
Arkansas	50.7 (29.2)	3.9 (D)	(D)	.9 (D)	.6 (D)	4.6 (D)	.8 (D)	2.3 (D)	.2 (D)	1.3 (D)	.5 (D)	.6 (D)	.6 (D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)
Louisiana	254.1 (192.0)	24.5 (10.6)	(D)	.3 (D)	1.5 (D)	3.7 (D)	.1 (D)	10.3 (7.5)	.4 (D)	85.7 (71.3)	75.8 (D)	.1 (D)	S (D)	1.2 (D)	W (D)	2.8 (.4)	(D)	(D)	(D)	(D)	(D)
Oklahoma	98.9 (65.5)	16.6 (D)	(D)	.4 (D)	.4 (D)	.4 (D)	.1 (D)	.1 (D)	.5 (D)	2.4 (D)	12.1 (D)	5.4 (D)	S (D)	1.8 (1.0)	24.8 (4.6)	8.3 (15.1)	19.1 (D)	.9 (D)	5.2 (D)	.3 (D)	(D)
Texas	836.6 (651.3)	143.4 (91.8)	(D)	2.7 (D)	4.7 (D)	3.7 (D)	1.2 (D)	8.2 (D)	2.4 (D)	282.6 (247.3)	177.2 (148.1)	2.5 (D)	S (D)	.3 (D)	X (D)	15.6 (6.4)	93.1 (77.2)	7.0 (3.9)	10.8 (4.9)	7.7 (4.5)	3.2 (.7)
Mountain	177.3 (97.6)	31.7 (6.0)	(D)	.1 (D)	.9 (D)	5.7 (D)	.3 (D)	T (D)	1.6 (D)	10.1 (6.1)	1.2 (D)	3.8 (D)	.3 (D)	(D)	W (D)	2.5 (1.4)	37.5 (29.3)	2.7 (1.9)	8.5 (D)	1.1 (D)	23.2 (D)
Montana	3.9 (D)	1.8 (D)	(D)	S (D)	1.4 (D)	S (D)	S (D)	S (D)	.1 (D)	.5 (D)	S (D)	S (D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)
Idaho	15.6 (8.4)	9.3 (D)	(D)	(D)	S (D)	2.2 (D)	S (D)	T (D)	.1 (D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)
Wyoming	.7 (D)	.4 (D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)
Colorado	48.4 (28.2)	8.6 (D)	(D)	S (D)	.3 (D)	.5 (D)	.1 (D)	.1 (D)	.6 (D)	2.3 (D)	.9 (D)	3.5 (D)	.3 (D)	(D)	(D)	9.7 (D)	1.7 (D)	14.3 (D)	2.2 (D)	.1 (D)	1.1 (D)
New Mexico	26.5 (11.3)	1.8 (D)	(D)	(D)	.1 (D)	.3 (D)	S (D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)
Arizona	29.3 (12.8)	3.6 (D)	(D)	(D)	.2 (D)	.6 (D)	.1 (D)	S (D)	.2 (D)	.7 (D)	(D)	(D)	(D)	(D)	(D)	4.3 (D)	2.4 (D)	.5 (D)	8.2 (D)	.8 (D)	7.5 (D)
Utah	45.8 (32.0)	5.5 (.4)	(D)	S (D)	.3 (D)	.1 (D)	.1 (D)	S (D)	.1 (D)	.8 (D)	.1 (D)	S (D)	S (D)	(D)	(D)	16.4 (D)	.8 (D)	19.7 (D)	.1 (D)	(D)	1.9 (D)
Nevada	5.4 (4.6)	.2 (D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)
Pacific	1,994.2 (1,284.3)	252.3 (128.1)	S (D)	3.7 (D)	10.4 (18.0)	53.7 (59.9)	3.9 (D)	85.4 (59.9)	7.4 (D)	127.7 (94.5)	114.0 (96.3)	11.2 (3.3)	1.2 (D)	7.0 (5.7)	106.0 (88.7)	35.2 (22.9)	97.6 (71.4)	59.3 (40.9)	875.1 (611.0)	23.5 (14.3)	119.6 (10.3)
Washington	582.8 (393.7)	30.2 (19.1)	(D)	S (D)	.8 (5.6)	14.6 (48.9)	.3 (D)	67.5 (48.9)	.7 (D)	3.4 (D)	.6 (D)	.2 (D)	.1 (D)	.3 (D)	56.6 (51.2)	1.4 (1.1)	8.2 (5.7)	.2 (D)	397.2 (D)	(D)	(D)
Oregon	87.1 (50.8)	24.7 (D)	(D)	.3 (D)	.5 (D)	23.9 (8.7)	.2 (D)	8.9 (7.3)	.4 (D)	.7 (D)	(D)	(D)	(D)	(D)	(D)	5.7 (3.7)	1.1 (D)	4.5 (D)	14.1 (D)	1.3 (D)	(D)
California	1,302.6 (809.7)	180.5 (86.8)	S (D)	3.2 (D)	9.0 (3.6)	14.8 (3.6)	3.3 (D)	6.4 (D)	6.0 (D)	123.3 (92.3)	113.3 (D)	10.7 (3.1)	1.1 (D)	6.3 (5.2)	43.6 (D)	33.4 (21.6)	84.8 (61.9)	45.1 (D)	476.5 (D)	22.2 (D)	119.1 (10.2)
Alaska	4.0 (D)	1.6 (D)	(D)	S (D)	.1 (D)	.1 (D)	(D)	2.3 (D)	S (D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)
Hawaii	15.5 (D)	14.9 (D)	(D)	S (D)	.2 (D)	.1 (D)	.1 (D)	.1 (D)	.1 (D)	.1 (D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)

Source: U.S. Department of Commerce, Office of Business Economics, Bureau of International Programs.

NOTE.—Figures may not add because of rounding.

Total exports included in this table exceed the 1960 Census Bureau's totals for manufactured foodstuffs, semimanufactures and finished manufactures by some \$800,000,000. Figures given here include exports to Puerto Rico, bunker sales of fuel to foreign vessels, and certain other adjustments developed by the Bureau of Labor Statistics in their study of direct and indirect employment attributable to exports.

The national total figures and totals for the 20 industry groups in terms of value at port and value f.o.b. plant were prepared by the Bureau of Labor Statistics, based largely on Census export data and Census "bridge" tables on export and industry classification systems; total value, f.o.b. plant differs from value at port primarily by trade margins, transportation, and warehousing costs.

Regional and State distributions of exports, not reported directly by manufacturers, were estimated by the Office of Business Economics and the Bureau of International Programs, U.S. Department of Commerce, in order to account for local origin of all manufacturing exports. The figures reported by manufacturers are from a survey conducted by the Census Bureau of plants with more than 100 employees included in the Annual Survey of Manufactures and exporting \$25,000 or more in 1960. The 1958 survey on distribution of manufacturers sales showed that those plants accounted for practically all exports made directly by manufacturing companies. Establishments in some industries with a small amount of exports in relation to the total number of establishments involved, were asked to report in the survey only when the parent company was known to export at least \$1,000,000 per year. Industries

handled in this fashion included the textile, apparel, lumber, and furniture groups and some individual industries in other groups.

- (D) Withheld to avoid disclosing figures for individual companies.
- S Less than \$1.0 million.
- T \$1.0 to \$4.9 million.
- U \$5.0 to \$9.9 million.
- V \$10.0 to \$24.9 million.
- W \$25.0 to \$49.9 million.
- X \$50.0 to \$99.9 million.
- Y \$100.0 million or more.

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

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

Mr. BOW. I appreciate very much the gentleman's statement here today, and I agree with what he has to say. I am very much disturbed, and I am sure the gentleman is. Although I have no textiles in my district, I have other industries that may be affected. And, whether I did or not, I would be disturbed because American labor, wherever they may be, is put out of work. We have been having hearings on the State Department budget and I have been asking some questions about this thing, of the amount of money that is being spent on the preparation of pamphlets and the distribution of speeches. I asked them this question today. I said, "How about telling the other side of the story? You do not tell the whole story. You just try to promote one side." And, they very frankly admitted it. I totaled the number of speeches distributed by the State Department, those who followed the policy which is against what the gentleman is for. I said, "If I make a speech on this subject, will you print it and send it out to the same people you sent this to?" And they said, "Oh, no, we cannot do that." The gentleman has been talking a good deal about the State Department. I think we must add to this certain segments of the Commerce Department which are stimulating this thing. I am sure there is one where they are setting up a group to encourage the sale of Japanese textiles throughout European countries. It seems to me that what is necessary for our Commerce Department to do is to go out and sell American textiles to European countries and not try to develop Japanese trade in foreign countries. This was a rather amazing thing that they would do it. I think the gentleman is making an excellent statement, and I want to concur in what he has to say. I think this is one of the most dangerous things facing America today, is the total disregard for American labor, for American industry on these trade policies, and I just hope we can get at least a corporal's guard who are willing to stand up and be counted and point out to the people of the Nation the problems we are facing on the very question the gentleman is discussing.

Mr. HEMPHILL. I think the gentleman for his contribution. I happen to admire the gentleman very much because of the fact he made a great fight, and I tried to support him, to keep American soldiers from being tried by foreign governments. My admiration has not lessened since then, and I thank the gentleman for his contribution today.

We are faced with a peculiar situation this year. The reciprocal trade extension expires. We are being told that we have to revamp our entire trade policy: the question of whether or not the President of the United States shall have certain executive powers in connection with the reduction of tariffs; the question of whether or not we are going to associate or join or otherwise be associated with the Common Market in Eu-

rope. Now, when the President of the United States says something—and I do not care of which party he is—I listen.

I always listened to the former President when he was in office. It causes me concern when the President makes a statement, because the President ought to be right. He just ought to be right. He is President. He has the biggest office in the Nation, the biggest in the world, and the greatest responsibility. He has the responsibility of freedom. There is no such thing as freedom without truth. So when the President says it is necessary, it gives me grave concern because I am in no sense a freetrader. I have seen what it has done to my textiles. I know what it has done to the gentleman's people out in West Virginia. I know what has been done to the bicycle people, and I could name dozens and dozens of industries that have been affected by this fool free-trade idea of selling American jobs for some supposed international favor or international posture. The posture I am concerned with is aimed first at helping Americans and preserving American jobs.

Mr. Speaker, one of the things that is bothering me about this new trade bill—and I put a notation in here to call attention to it—is this: In section 212 of the administration's trade bill there is a provision to authorize the President to put cotton and wool textiles on the free list since they are products of agricultural commodities to which that section refers. Now, what does that mean? Does that mean we are going to give this State Department further latitude in its future trade negotiations? If that is what that means, it has either got to be stricken from the bill or it is too dangerous a piece of legislation.

Mr. Speaker, the reason I get up here is because the hour is late. We have already lost plants. We have lost velvet and gingham industries in my district. I know a plant which has been directly affected by the zeroing in on it this year. I am worried about the people. They are my friends, and I love them very much. We have got to do something about these problems, and we have got to have some assurance that this is just not some other idea that the do-gooders and the one-world people and the international planners have not put upon us for the purpose of taking over.

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

Mr. HEMPHILL. I am delighted to yield to my distinguished friend from West Virginia.

Mr. BAILEY. The gentleman will recall that I wrote in the existing Trade Agreements Act of 1951 what is known as the escape clause. In the new proposal made by the administration it wipes out the present reciprocal trade agreement. They wipe out the peril points and the escape-clause procedure.

Does the gentleman think we should attempt to convince the Ways and Means Committee before it issues a closed rule that some amendments are necessary which would provide a prerequisite check by the Tariff Commission

before the President is given authority to make reductions in any import duty?

Mr. HEMPHILL. I think that would be a very reasonable thing to do.

Mr. BAILEY. That is, to see whether it is going to destroy that particular industry or not.

Mr. HEMPHILL. I think that is very reasonable.

Let me ask the gentleman this: It has been my impression that the peril points and the escape-clause provisions were written into the legislation because the gentleman was seeking—and I know he was, and did a magnificent job—a means of protecting American industry. But I wonder if the gentleman agrees with me that in the administration of that particular legislation, especially the escape clause and the peril points, that we have not gotten the results that we would naturally expect?

Does the gentleman agree with me on that?

Mr. BAILEY. I do. There has been maladministration of both of them.

Mr. HEMPHILL. One of the things that concerns me today is whether or not there is going to be continued maladministration. I am concerned, because down in my country practicing law as a country lawyer, if you give a fellow a piece of business, if he does not do a good job for you, you wonder whether you will give him the next piece of business. Of course, perhaps, if you are in the Government, I do not guess it makes any difference because somebody covers for you if you do something bad. It concerns me that with the Tariff Commission making recommendations on the peril points nothing was done about it. I know the gentleman from West Virginia [Mr. BAILEY] is more versed than I am in this.

It causes me concern as to whether or not we are just being given a little sugar to draw the files.

Mr. BAILEY. In this particular industry there would be no authority extended to the President until a determination was made in hearings before the Tariff Commission claiming that a particular industry had to have a reduction in import duties.

Mr. HEMPHILL. I think that is a very proper thing, to have a hearing in the Tariff Commission. But the thought occurs to me at this time as to who is going to administer this program and what is going to be done to take care of the jobs of the people. When I speak of the textile industry I speak of other industries also. I have great sympathy for those other industries which have been decimated or destroyed. The plywood and veneer people in my section have been considerably damaged by the administration of these policies and by the use of free trade policies.

But I say that we of the textile industries have hope. We have some happiness that something has been done. We have happiness in the promises, but we also await action, because down home you do not eat words. Textile workers have to have salaries to buy bread and meat. They cannot eat words. They cannot house themselves or clothe themselves with promises. It is a bread-and-

meat problem and it is a serious situation.

I, for one, continue to talk about this and bring out from time to time the thinking that I have. I have invited other Members to be present, but when it is so late in the day, sometimes they have schedules at their offices that prevent their being here.

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

Mr. HEMPHILL. I am glad to yield to the gentleman from Ohio.

Mr. BOW. I hope the gentleman does not mind my asking him to yield at this time.

Mr. HEMPHILL. I am happy to yield.

Mr. BOW. The gentleman mentioned the political side of this. I will say to the gentleman that I opposed this sort of thing during the Eisenhower administration so I have no apologies, of course, for opposing it during the present administration. I should like to point out on the question of whether we need this additional law a speech made on October 12, 1960, by then Candidate Kennedy on this question. I think it is important that we consider it. He said in part:

Hong Kong happens to be a place where textiles in the last few years have been coming from in the greatest quantities, at least with the greatest percentage of increase. So in answer to your question, because we must maintain our reciprocal trade policy, because we must sell abroad more than we take in, because the United States cannot take the lead in restricting trade, in fact, I emphasize that we should take the lead in persuading other countries to lessen their barriers against us, I believe that we can protect our domestic industry within present laws, with Presidential leadership, with a knowledge of the problem, with effective workings between the President and the State Department and countries abroad, and with the provisions in present reciprocal trade laws if vigorously, effectively, and responsibly administered.

May I say to the gentleman that this always seems to be the one point that they cannot seem to answer. The gentleman knows as well as I do that in article I, section 8 of the Constitution of the United States there is a provision that the Congress shall set these tariffs, imposts, and duties. How are we going to get away from it by the passage of this law, when we are delegating the authority of the Congress to the executive branch of the Government? Would it not be better if we brought back to the legislative branch the authority to handle these tariffs, imposts, and duties, through the Tariff Commission, where the President and the executive department could present their case?

If the Tariff Commission recommended in a certain way and they were not satisfied, they could come to the Congress with the possibility of a veto. But the Tariff Commission is the arm of the Congress, not of the executive branch, and that is where they should be doing this.

Then it seems to me, too, that we are not going to be able to do the kind of dealing that they are talking about here until we get foreign nations also to cut out some of their embargoes against us and some of their trade barriers other than tariffs. We have got to protect

American industry, when we think of the amount of unemployment that we have today. It just seems perfectly ridiculous to me that we should be trying to do something to bring in more importations of these things that can be made more cheaply abroad and put American workmen out of work.

Mr. Speaker, I want to join the gentleman anytime, regardless of the hour of the night, in this fight against this proposition, if we can do something to protect American jobs and not export the jobs of American workmen.

Mr. HEMPHILL. Mr. Speaker, I want to thank the gentleman. Let me say that I think one of the difficulties that any President has, from what I know of the Office, is the fact that in the administration of the law he has to depend on various people. I think in this particular area, of the time when the State Department took over the reciprocal trade arrangements that should have been put in the Department of Commerce and under the control of Congress. When the State Department took it over, it was a sad day for us. The President made a very fine statement in his campaign and I think he wants to live up to it. It is easy for me to say that if I were President I would do thus and so. And I guarantee that if I were President I would do thus and so; at least, there would be some changes made one way or the other; that is what the President has authority for.

But I feel this way about. We in the Congress must insist as never before—and I agree with the distinguished gentleman on this—that American jobs be protected, because there is no use of passing manpower and training legislation such as we have before us today, there is no use of suggesting that we pass any sort of legislation if we are going to continue to create unemployment by following the old-time policies of the State Department. It just does not make sense.

If I were President of the United States, I would tell whoever was the Cabinet officer to get the job done. If he did not get the job done, I would fire him.

Let me say one thing finally: I do not operate from a platform of fear and I do not intend to do so as an American. It seems to me we are always scared about what some other country is going to say. Well, I am not scared. If we would stand up for what we are and recognize what we have been and what we will be and recognize our potential we would not have to be worried about what any other country says. I do not care what any other country says. I am interested in what America says. The American textile workers are saying to the Nation today that we need help. They are saying, "Help us." I am here asking for that help and I am trying to get it for them. I am hopeful that our President's plan will give them that help. I am happy to say he has made a start in that direction, because the textile industry most certainly is a basic industry in peacetime as well as for our national defense.

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

Mr. HEMPHILL. I yield to my distinguished friend, the gentleman from North Carolina, who has joined me in this fight on so many occasions.

Mr. WHITENER. I want to express my appreciation to the gentleman for his further efforts in this important matter. I regret that another meeting prevented my being here at the beginning of his remarks. The subject which the gentleman is now discussing is one of grave importance not only to the people of the great textile districts which the gentleman from South Carolina and I are privileged to represent, but I believe, as the gentleman has so well indicated, it is of grave importance to the Nation. The question of defense and national security which is involved in this matter of importation of textiles is one which concerns many of us and while I know that we are basically concerned about the economy of our own area I believe we can accurately say that we are equally concerned with the national security aspect of the problem. I was heartened some time ago to see some indication that there was a more friendly attitude toward this great industry than we had seen in the past. But in recent days I am beginning to wonder just where we are going. I know the gentleman from South Carolina, as I did, testified a few days ago at the Tariff Commission at its present hearings with reference to the 8½-cent advantage which the foreign textile people have over our own manufacturers using domestically grown cotton that is American grown cotton. While I am not a prophet and I do not undertake to make any prophecy I have to say it would appear that we will not have much reason to expect any relief as a result of this current hearing.

I hope that I am wrong, but I know that the gentleman must have been somewhat impressed, as I was, when we appeared before the Tariff Commission to see there in this hearing room an agency of the U.S. Government supposedly conducting a hearing to determine what was to the best interest of America, and as we looked to our right to see participating in this hearing as alleged real parties in interest, representatives of foreign governments. While I was not present when some of the American textile people testified, I was told by some of them that the representatives of those countries were certainly less than kind in the attitude which they showed toward these agreements. They were there testifying in an American tribunal.

I could not help remembering that just a few short years ago the gentleman from South Carolina and I, along with millions of other Americans, were engaged at that time in mortal conflict with some of those people who are today undertaking to tell our people what we ought to do with a domestic economic problem. While I hope that any bitterness that was engendered in the hearts of any of the Americans who served in World War II and other wars has been dissipated, I am sure it is somewhat difficult to prevent a resurgence of that feeling when we see these people undertaking to cause this tribunal known as the

Tariff Commission to make a decision which will involve the livelihood of many Americans, many of our own friends and relatives, and also jeopardize the economy of this great country, which is important to all Americans.

I want to commend again the gentleman from South Carolina and say to him that the message which he brings and the warning which he sounds, and which I undertake to sound at regular intervals, should be heeded, and that we in this country should not fail to realize that our basic responsibility in peacetime as well as in wartime is to be dedicated to the preservation of our country, her economy, and the standards which our people have been able to achieve, and which is not given to them by reason of the bounty of any other nation or by reason of friendly determination by tax-finding tribunals of other nations.

I commend the gentleman and thank him for yielding to me.

Mr. HEMPHILL. I want to thank the gentleman for the statement he has made. He and I have been here many times to express our opinions on matters which cause us grave concern, when others were not so disposed.

It occurs to me after listening to his points of wisdom that after all the Tariff Commission was created for the benefit of the American people, American industry, and the segments of that industry. If they think that the evidence, the testimony of others than Americans, is more important than Americans, then they have departed from the concept which generated the creation of this Commission.

They have betrayed their trust to the American people and they have lost contact with the fact or the realism that if they do something to hurt America inevitably it hurts every citizen in some way, either by an increase in taxes or by the fact a nation is weakened economically or in many other ways.

So I would hope, since the administration went on record in this particular instance as favoring an import fee, in the Department of Agriculture particularly, that the Tariff Commission will adhere to the voice of the American President and the American people and American industry with reference to this thing which has been troubling us and has troubled us for so long.

I thank again the gentleman from North Carolina.

THE LATE HONORABLE RALPH W. GWINN, OF NEW YORK

Mr. BARRY. Mr. Speaker, former Congressman Ralph W. Gwinn, of the 27th District of New York, died today. I will announce time for eulogies on the floor of Congress.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. ADAIR, on tomorrow, for 1 hour.

Mr. MEADER (at the request of Mr. HALPERN) on Wednesday, February 28, for 30 minutes.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. WALTER.

Mr. PHILBIN and to include extraneous matter.

Mr. DORN and to include extraneous matter.

Mr. GEORGE P. MILLER.

(The following Members (at the request of Mr. HALPERN) and to include extraneous matter:)

Mr. VAN ZANDT in two instances.

Mr. ROUSSELOT.

Mrs. WEIS.

Mr. JENSEN.

(The following Members (at the request of Mr. ALBERT) and to include extraneous matter:)

Mr. NATCHER.

Mr. INOUE.

Mr. STEED.

Mr. ANFUSO.

Mr. BAILEY to include extraneous matter in the remarks he made during general debate on H.R. 8399.

Mr. SMITH of Iowa to revise and extend the remarks he made in the Committee of the Whole and include extraneous matter.

(The following Members (at the request of Mr. ALBERT) and to include extraneous matter:)

Mr. MOSS.

Mrs. SULLIVAN.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 42 minutes p.m.) the House adjourned until tomorrow, Wednesday, February 28, 1962, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1747. A letter from the Secretary of the Treasury, transmitting a report of audit of the exchange stabilization fund for the fiscal year ended June 30, 1961, pursuant to section 10 of the Gold Reserve Act of 1934, approved January 30, 1934, as amended; to the Committee on Banking and Currency.

1748. A letter from the Administrator, General Services Administration, transmitting the report of the Archivist of the United States on records proposed for disposal under the law; to the Committee on House Administration.

1749. A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of a proposed bill entitled "A bill to extend and strengthen the Federal air pollution control program"; to the Committee on Interstate and Foreign Commerce.

1750. A letter from the Secretary of Health, Education, and Welfare, transmitting

a draft of a proposed bill entitled "A bill to assist States and communities to carry out intensive vaccination programs designed to protect their populations, especially all pre-school children, against poliomyelitis, diphtheria, whooping cough, and tetanus, and against other diseases which may in the future become susceptible of practical elimination as a public health problem through such programs"; to the Committee on Interstate and Foreign Commerce.

1751. A letter from the Secretary of the Interior, transmitting a report relating to the Charles R. Robertson Lignite Research Laboratory of the Bureau of Mines at Grand Forks, N. Dak., for the calendar year 1961, pursuant to 62 Stat. 85; to the Committee on Interior and Insular Affairs.

1752. A letter from the Assistant Secretary of the Interior, relative to the receipt of a project proposal relating to the Cassia Creek Reservoir Co. of Cassia County, Idaho, and to state that they have applied for a loan and grant, pursuant to section 10 of the Small Reclamation Projects Act of 1956; to the Committee on Interior and Insular Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ELLIOTT: Committee on Rules. House Resolution 552. Resolution for consideration of H.R. 132, a bill to amend the Communications Act of 1934 to establish a program of Federal matching grants for the construction of television facilities to be used for educational purposes; without amendment (Rept. No. 1390). Referred to the House Calendar.

Mr. BROOKS of Texas: Committee on the Judiciary. H.R. 10184. A bill to amend section 130(a) of title 28, United States Code, so as to reconstitute the Eastern Judicial District of Wisconsin to include Menominee County, Wis.; with amendment (Rept. No. 1391). Referred to the Committee of the Whole House on the State of the Union.

Mr. LANE: Committee on the Judiciary. H.R. 10357. A bill to provide for the settlement of claims against the United States by members of the uniformed services and civilian officers and employees of the United States for damage to, or loss of, personal property incident to their service, and for other purposes; without amendment (Rept. No. 1392). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. EVINS:

H.R. 10424. A bill to extend and amend the Renegotiation Act of 1951; to the Committee on Ways and Means.

By Mr. HUDDLESTON:

H.R. 10425. A bill to amend the Civil Service Retirement Act to provide for the adjustment of inequities and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. KASTENMEIER:

H.R. 10426. A bill to amend the act of August 30, 1890, to eliminate the provisions thereof authorizing Federal contributions for the maintenance of schools of higher education in which racial segregation is practiced; to the Committee on Education and Labor.

By Mr. MONTROYA:

H.R. 10427. A bill to facilitate the sale and disposal of Government stocks of extra long staple cotton; to the Committee on Armed Services.

By Mr. MORRIS:

H.R. 10428. A bill to facilitate the sale and disposal of Government stocks of extra long staple cotton; to the Committee on Armed Services.

By Mr. STEED:

H.R. 10429. A bill to place certain limitations on the authority of the Federal Communications Commission to delete previously assigned very high frequency television channels, to give the Commission certain regulatory authority over television receiving apparatus, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. TRIMBLE:

H.R. 10430. A bill authorizing the modification of the general plan for the comprehensive development of the White River Basin to provide for additional hydroelectric power development, for the control of floods, and for other purposes; to the Committee on Public Works.

By Mr. WILLIS:

H.R. 10431. A bill to revise, codify, and enact title 37 of the United States Code, entitled "Pay and Allowances of the Uniformed Services"; to the Committee on the Judiciary.

H.R. 10432. A bill to amend title 39, United States Code, to codify certain recent public laws relating to the postal service and to improve the code; to the Committee on the Judiciary.

H.R. 10433. A bill to amend title 10, United States Code, to codify recent military laws, and to improve the code; to the Committee on the Judiciary.

By Mr. WILSON of California:

H.R. 10434. A bill to provide for the construction of a Veterans' Administration hospital at San Diego, Calif.; to the Committee on Veterans' Affairs.

By Mr. BARRY:

H.R. 10435. A bill to correct inequities with respect to the compensation of certain postal field service employees exercising supervisory functions, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 10436. A bill to provide salary adjustments in the basic salary of postal field service employees in certain areas, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 10437. A bill to amend the Internal Revenue Code of 1954 to repeal the tax presently imposed on the transportation of persons; to the Committee on Ways and Means.

By Mr. BYRNE of Pennsylvania:

H.R. 10438. A bill to authorize the Secretary of the Interior to acquire the Graff House site for inclusion in Independence National Historical Park, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. CUNNINGHAM:

H.R. 10439. A bill to amend the Federal Property and Administrative Services Act of 1949, as amended, to permit donation and other disposal of surplus personal property to tax-supported public park, recreation, or historic monument agencies; to the Committee on Government Operations.

By Mr. JAMES C. DAVIS:

H.R. 10440. A bill to authorize the acquisition, training, and maintenance of dogs to be used in law enforcement in the District of Columbia; to the Committee on the District of Columbia.

By Mr. JOHANSEN:

H.R. 10441. A bill to amend title 13, United States Code, to preserve the confidential

nature of copies of information filed with the Bureau of the Census on a confidential basis; to the Committee on Post Office and Civil Service.

By Mr. MCSWEEN:

H.R. 10442. A bill to establish a cropland retirement program; to the Committee on Agriculture.

By Mr. MORSE:

H.R. 10443. A bill to amend the Internal Revenue Code of 1954 to provide an additional income tax exemption of \$1,000 for a taxpayer, spouse, or dependent who is a student at an institution of higher learning; to the Committee on Ways and Means.

By Mr. NELSEN:

H.R. 10444. A bill to limit the authority of the Commodity Credit Corporation to sell any farm commodity owned or controlled by it; to the Committee on Agriculture.

By Mr. FULTON:

H.R. 10445. A bill to establish an Office of Urban Affairs in the Executive Office of the President; to the Committee on Government Operations.

By Mr. GREEN of Pennsylvania:

H.R. 10446. A bill to authorize the Secretary of the Interior to acquire the Graff House site for inclusion in Independence National Historical Park, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. HARSHA:

H.R. 10447. A bill to amend the law relating to pay for postal employees; to the Committee on Post Office and Civil Service.

H.R. 10448. A bill to amend title 38, United States Code, to provide for the payment of pensions to veterans of World War I; to the Committee on Veterans' Affairs.

By Mr. HERLONG:

H.R. 10449. A bill to provide for a Veterans' Administration hospital in the Halifax area of Volusia County, Fla.; to the Committee on Veterans' Affairs.

By Mr. ST. GERMAIN:

H.R. 10450. A bill to promote safe driving and eliminate the reckless and irresponsible driver from the streets and highways of the District of Columbia by providing that any person operating a motor vehicle within the District while apparently under the influence of intoxicating liquor shall be deemed to have given his consent to a chemical test of certain of his body substance to determine the alcoholic content of his blood, and for other purposes; to the Committee on the District of Columbia.

By Mr. SHORT:

H.R. 10451. A bill to establish a cropland retirement program; to the Committee on Agriculture.

By Mr. NYGAARD:

H.R. 10452. A bill to donate to the Devils Lake Sioux Tribe of the Fort Totten Indian Reservation, N. Dak., approximately 275.74 acres of federally owned land; to the Committee on Interior and Insular Affairs.

By Mr. OLSEN:

H.R. 10453. A bill to amend title 23 of the United States Code relating to highways in order to require the approval of the Secretary of the Interior to surveys, plans, specifications, and estimates for projects on the Federal-aid highway systems for the purpose of protecting fish and wildlife and recreation resources; to the Committee on Public Works.

By Mr. RHODES of Arizona:

H.R. 10454. A bill to provide that certain public lands of the United States shall be disposed of for their highest and best use, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. LOSER:

H.J. Res. 641. Joint resolution designating February 20 of each year as John Glenn Day; to the Committee on the Judiciary.

By Mr. HEBERT:

H.J. Res. 642. Joint resolution to authorize the Secretary of the Interior to acquire certain property within Chalmette National Historical Park, and for other purposes; to the Committee on Interior and Insular Affairs.

H.J. Res. 643. Joint resolution to establish the Sesquicentennial Commission for the Celebration of the Battle of New Orleans, and for other purposes; to the Committee on the Judiciary.

By Mr. TUCK:

H.J. Res. 644. Joint resolution granting consent of the Congress to a compact entered into between the State of Maryland and the Commonwealth of Virginia for the creation of the Potomac River Compact of 1958; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. ADDONIZIO:

H.R. 10455. A bill for the relief of Beatriz Foronda; to the Committee on the Judiciary.

By Mr. ANFUSO:

H.R. 10456. A bill for the relief of Evon Elaine Scott; to the Committee on the Judiciary.

By Mr. BARRY:

H.R. 10457. A bill for the relief of Palmira Landolfi; to the Committee on the Judiciary.

By Mr. BELL:

H.R. 10458. A bill for the relief of Fulvio Jose Gonzales; to the Committee on the Judiciary.

By Mr. BLATNIK:

H.R. 10459. A bill to provide for the conveyance of 39 acres of Minnesota Chippewa tribal land on the Fond du Lac Indian Reservation to the SS. Mary and Joseph Church, Sawyer, Minn.; to the Committee on Interior and Insular Affairs.

By Mr. BOGGS:

H.R. 10460. A bill for the relief of Kong Chu and his family; to the Committee on the Judiciary.

By Mr. BURKE of Massachusetts:

H.R. 10461. A bill for the relief of Anastasio Vitoratos; to the Committee on the Judiciary.

By Mr. GUBSER:

H.R. 10462. A bill for the relief of Yoo Chul Soo; to the Committee on the Judiciary.

H.R. 10463. A bill for the relief of Kate Pervetch; to the Committee on the Judiciary.

By Mr. INOUYE:

H.R. 10464. A bill for the relief of Benjamin A. Ramelb; to the Committee on the Judiciary.

H.R. 10465. A bill for the relief of Sue Tamaru; to the Committee on the Judiciary.

H.R. 10466. A bill to confer jurisdiction on the U.S. District Court for the District of Hawaii to hear, determine, and render judgment on the claims of Mrs. Agnes J. Wong against the United States; to the Committee on the Judiciary.

By Mr. POWELL:

H.R. 10467. A bill for the relief of Joseph William Rohee; to the Committee on the Judiciary.

By Mr. SIKES:

H.R. 10468. A bill for the relief of Harold William Abbott and others; to the Committee on the Judiciary.

By Mr. THOMPSON of New Jersey:

H.R. 10469. A bill for the relief of Mario Rossi; to the Committee on the Judiciary.

By Mr. LOSER:

H.J. Res. 645. Joint resolution authorizing the President to confer the Medal of Honor upon Lt. Col. John H. Glenn, Jr., U.S. Marine Corps; to the Committee on Armed Services.

EXTENSIONS OF REMARKS

Investigation of Banking Practices of
Nonscheduled Airlines

EXTENSION OF REMARKS

OF

HON. JOHN H. ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1962

Mr. ROUSSELOT. Mr. Speaker, on February 26, 1962, I introduced House Resolution 551, the purpose of which is to provide for a congressional investigation of the banking practices of supplemental or nonscheduled airlines. It is my hope that the resolution will be assigned to the House Banking and Currency Committee.

Under unanimous consent, I include the resolution in the CONGRESSIONAL RECORD:

Whereas there has recently occurred in the supplemental airline industry, three tragic airplane crashes, namely:

1. Arctic Pacific Air Lines on October 29, 1960, at Toledo, Ohio, killing twenty passengers and a crew of two and injuring and maiming another twenty-five passengers. Sixteen of the deceased and twenty-two of the injured were young college football players from the California Polytechnic State College, San Luis Obispo, California.

2. President Airlines, Incorporated, on September 10, 1961, at Shannon, Ireland, killing seventy-seven passengers and six crewmembers. The deceased were sixty-five Germans, eight Austrians, two Dutch, and two Swiss representatives of those countries traveling to the United States to study our agricultural methods.

3. Imperial Airlines, Incorporated, on November 8, 1961, at Richmond, Virginia, killing seventy-four passengers and three crewmembers. The deceased passengers were young United States Army recruits on their way to be trained for service in our Armed Forces; and

Whereas investigations following these crashes reveal practices and conditions of maintenance, training, and operations of these airlines that are deplorable and intolerable; and

Whereas these deplorable and intolerable practices and conditions germinate in the financial environment of said airlines and their owners; and

Whereas report numbered 41, Eighty-seventh Congress, second session, of the House Armed Services Special Subcommittee investigating the Imperial crash states on page 3101 that little if any attention was given by the Civil Aeronautics Board or the Federal Aviation Agency to the economic capacity of the carrier to sustain operations; and

Whereas the records of the Civil Aeronautics Board disclose that of twenty certified supplemental airlines, six are bankrupt and fourteen others show large deficits of operating capital and net worth—the House Armed Services Special Subcommittee Report Numbered 41, Eighty-seventh Congress, second session, pages 2887 to 2889, states in part:

1. Airline Transport Carriers, Incorporated, doing business as California Hawaiian Airlines:

Earned surplus (deficit).....	\$167,000
Net worth (deficit).....	99,800

2. American Flyers Airline Corporation:

Current liabilities.....	\$252,500
Current assets.....	107,500

Working capital (deficit).....	145,000
Earned surplus (deficit).....	49,700
Net worth (deficit).....	44,700

3. Associated Air Transport, Incorporated:

Current liabilities.....	\$354,000
Current assets.....	152,000

Working capital (deficit).....	202,000
Earned surplus (deficit).....	162,500
Capital surplus (deficit).....	12,400

Net worth (deficit).....	174,000
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4. Coastal Air Lines:

Current liabilities.....	\$29,700
Current assets.....	11,200

Working capital (deficit).....	18,500
Earned surplus (deficit).....	64,400
Net worth (deficit).....	55,900

5. Modern Air Transport, Incorporated:

Current liabilities.....	\$349,600
Current assets.....	152,500

Working capital (deficit).....	197,100
Earned surplus (deficit).....	38,300
Net worth (deficit).....	37,300

6. Overseas National Airways:

Current liabilities.....	\$2,848,000
Current assets.....	1,223,000

Working capital (deficit).....	1,625,000
Earned surplus (deficit).....	987,400
Net worth (deficit).....	887,400

7. President Airlines, Incorporated (testimony of the Honorable FRANCIS E. WALTER, Democrat, of Pennsylvania):

"This is the company which stranded the Chicago charter group at Shannon Airport, Ireland, and the Los Angeles charter group in London last fall. As I recall, the press reported the stranding at Shannon as due to refusal of the airport authorities to release the plane until payment of delinquent landing fees and fuel and oil bills.

"On September 10, 1961, a President plane crashed on takeoff at Shannon, killing eighty-three persons.

"To the best of my knowledge, the Civil Aeronautics Board has not revoked the certificate of this carrier."

8. Saturn Airways, Incorporated:

Current liabilities.....	\$720,900
Current assets.....	69,000

Working capital (deficit).....	605,200
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9. Sourdough:

Current liabilities.....	\$12,000
Current assets.....	6,900

Working capital (deficit).....	5,100
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10. Standard Airways, Incorporated:

Current liabilities.....	\$387,000
Current assets.....	251,000

Working capital (deficit).....	136,500
Earned surplus (deficit).....	23,500

11. Stewart Air Service (testimony of the Honorable FRANCIS E. WALTER, Democrat, of Pennsylvania):

"Current assets reported by the carrier as minus \$2,170 with 'cash on hand' of minus \$3,251. I have never heard of having an asset that is a minus dollar amount. Current liabilities are \$70,594, for a working capital deficit of, I gather, \$72,764."

12. United States Overseas Airlines, Incorporated:

Current liabilities.....	\$3,422,500
Current assets.....	1,526,000

Working capital (deficit).....	1,896,000
Earned surplus (deficit).....	1,714,000
Net worth (deficit).....	1,421,700

13. Vance Roberts (testimony of the Honorable FRANCIS E. WALTER, Democrat, of Pennsylvania):

"This appears to be a carrier of size comparable to Sourdough. Current assets are only \$2,942, with total assets only \$41,838."

14. World Wide Airlines, Incorporated:

Current liabilities.....	\$110,700
Current assets.....	48,200

Working capital (deficit).....	62,500
Earned surplus (deficit).....	238,700
Net worth (deficit).....	49,400

Whereas the House Armed Services Subcommittee report numbered 41, Eighty-seventh Congress, second session, states on page 3107 that Imperial Airlines' violations of Civil Aeronautics Board regulations were in the economic area by the use of misleading financial statements and by the filing of false statements with the Board according to the testimony under oath of the Chairman of the Civil Aeronautics Board, Alan S. Boyd; and

Whereas these companies could not exist for long if the above deficit balance sheets and financial status reported to the Civil Aeronautics Board were true; and

Whereas in light of the House Armed Services Special Subcommittee Report Numbered 41, Eighty-seventh Congress, second session, which states on page 3089 that the Federal Aviation Agency testified: "Our observations of the company's thirteen years of operations, and our intensive inspections following the recent accident indicate that the company tended to operate at all times with the very minimum of facilities and personnel for operations, training, and maintenance necessary to meet our safety standards" it is quite obvious that some undisclosed financial arrangements keep these airlines operating at dangerously low standards of safety and performance for the purpose of greater profits; and

Whereas there is evidence at hand that an investigation of the financial structure and banking practices of supplemental airlines will reveal the existence of a banking system which operates in defiance of the banking laws and extracts hundreds of thousands of dollars of cash and credit from banks for the operation of supplemental airlines by illegal arrangements of bank officials with airlines owners; and

Whereas this same illegal system has been worked by the officials of two different banks with the owners of two different airlines, it is evident that there is a system of illegal banking transactions among supplemental airlines which must be investigated for the purpose of making laws to prevent such practices; and

Whereas the House Armed Services Special Subcommittee Report Numbered 41, Eighty-seventh Congress, second session, on page 3101 emphasizes the "importance of having an industry that has integrity, not in a minimum degree but in a maximum degree" and the committee asks, "What can the Congress do to bring about this necessary degree of integrity in the supplemental air carrier industry?"; and

Whereas Congress on July 14, 1960, acting in good faith to save the airlines but under

deadline conditions resulting from the decision of the United States Court of Appeals for the District of Columbia in the case of United Air Lines, and others, against Civil Aeronautics Board (108 U.S. Ct. of Appeals, D.C.), continued the operation of these supplemental airlines for twenty months; and

Whereas four months thereafter a plane of the defunct Arctic Pacific Air Lines crashed at Toledo, Ohio, killing and maiming members of the California Pyrotechnic College football team; and

Whereas there is pending in the Congress, S. 1969, a bill which, among other things, grants grandfather operating rights to the supplemental airlines listed above: Now, therefore, be it

Resolved, That the Banking and Currency Committee of the House forthwith conduct an investigation into the financial conditions and banking practices of banks making loans to and/or containing the bank accounts of the supplemental airlines; and be it further

Resolved, That the House defer and suspend action on any legislation permitting or authorizing the operation of supplemental airlines until the termination of such investigation.

For the purpose of carrying out this resolution, the committee or subcommittee is authorized to sit and act during the present Congress at such times and places within the United States, including any Commonwealth or possession thereof, whether the House is in session, has recessed, or has adjourned, to hold hearings, and to require by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, records correspondence, memorandums, papers and documents as it deems necessary. Subpenas may be issued under the signature of the chairman of the committee or any member of the committee designated by him, and may be served by any person designated by such chairman or member.

The committee shall report to the House as soon as practicable during the present Congress the results of its investigation and study, together with such recommendations as it deems advisable. Any such report which is made when the House is not in session shall be filed with the Clerk of the House.

Bulgarian Liberation Day

EXTENSION OF REMARKS OF

HON. VICTOR L. ANFUSO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1962

Mr. ANFUSO. Mr. Speaker, Americans of Bulgarian descent observe Bulgarian Liberation Day on March 3 of every year. The independence of Bulgaria dates back to March 3, 1878, when that nation's freedom was reestablished after centuries of oppression under the old Ottoman Empire. Bulgaria's independence came to an abrupt end when first Nazi Germany and later Soviet Russia established their domination over the country. To this day, Bulgaria remains a subjugated country under the yoke of the Kremlin and its people are a captive nation.

In connection with the observance of Bulgarian Liberation Day, I recently sent a letter of greeting to the Bulgarian National Front of America for their an-

nual commemoration of the event, which is being observed on Saturday, March 3, at the New Yorker Hotel in New York City. I am pleased to insert into the CONGRESSIONAL RECORD the text of my message, which reads as follows:

FEBRUARY 12, 1962.

Dr. KALIN KOICHEFF,
Secretary-General, Bulgarian National Front
of America, New York, N.Y.

DEAR DR. KOICHEFF: Please convey the following message to your organization on March 3 at the Hotel New Yorker:

"On this day, when you meet to commemorate the Bulgarian Liberation Day, I am happy to join with you in hope and prayer for liberty and independence of your ancestral homeland.

"It is extremely important that we in this country and freedom-loving people in other countries should continue to focus the spotlight of the world on the subjugated status of the captive nations of Europe struggling under the yoke of tyrannical communism. We must do so in order to gain the offensive in the cold war. We must utilize every means to put Communist imperialism on the defensive and subject Russia to worldwide criticism.

"Carry on your good work and your untiring efforts so that Bulgaria may soon be liberated again. Your cause is close to the hearts of the American people, who support you and wish you an early victory."

Sincerely yours,

VICTOR L. ANFUSO.

Little People Crusade for Peace

EXTENSION OF REMARKS

OF

HON. PHILIP J. PHILBIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1962

Mr. PHILBIN. Mr. Speaker, I have noted with great interest and pleasure the laudatory and encouraging reports in the public press concerning the inspiring letters of friendship program proposed by our able and distinguished colleague, the Honorable PETER W. RODINO, JR., as a result of chance remarks of little 10-year-old Peter Rodino at the dinner table.

Young Peter suggested that Premier Khrushchev might be impressed if many children in America wrote him about the dangers of nuclear fallout to children everywhere from the Russian atmospheric testing. The lad spoke about this to his friends and schoolmates and soon the idea spread, even far beyond the Rodino neighborhood.

Candidly, I am pleased greatly, but not at all surprised that young Peter Rodino should show such extraordinary promise for a boy of his age. Congressman RODINO is one of the outstanding men in the Congress and his charming, gracious wife a most talented woman. They may well be very proud of Peter. I know that I am.

Parent-teacher groups, the Boy Scouts, and veterans organizations took up the suggestion and encouraged still more children to write. As a natural outgrowth of this spontaneous letter campaign, Congressman RODINO not long

after suggested to the President's new Chairman of the people-to-people program, General Eisenhower, that a special little people program be developed to destroy the myth of communism through letters of truth from children in the free world in the cause of peace.

General Eisenhower and other officials of the people-to-people program agreed and Congressman RODINO has been cooperating with them in working out and completing details of the little people movement.

The response to Congressman RODINO's proposal has been prompt and heartening with messages of encouragement and support from many places and from people in all walks of life. I feel sure that our colleague will continue to receive the encouragement and backing he deserves in advancing this new and unique little people program.

Young Americans Learn, Live, and Serve Through 4-H

EXTENSION OF REMARKS OF

HON. WILLIAM H. NATCHER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1962

Mr. NATCHER. Mr. Speaker, National 4-H Club Week will be celebrated this year from March 3-10, and it is most appropriate that a period is set aside each year to commend the members of this outstanding youth organization. Nearly 2½ million young Americans belong to 4-H Clubs, and they are fully deserving of our encouragement, respect, and support. These youngsters through their 4-H Club activities are preparing themselves to be the type of citizen America must have if we are to maintain our place of leadership in the world.

From a rather humble beginning around the turn of the century, the extensive system of 4-H Clubs is now worldwide and more than 50 countries have adopted all or part of the 4-H plan. Three major groups are largely responsible for this phenomenal growth: The Cooperative Extension Service of the U.S. Department of Agriculture and State land-grant colleges and universities, the National 4-H Club Foundation, and the National 4-H Service Committee. These groups have joined together in their common desire to assist 4-H members to utilize their talents and abilities to the fullest possible extent, to teach them to make use of science in farming and homemaking, and to encourage them to efficiently serve their community, State, and Nation.

Instruction and guidance are provided at the local level by county agents, home demonstration agents, 4-H leaders, parents, businessmen, teachers, and older 4-H'ers who give unstintingly of their time and effort to make this program a success. In the Second Congressional District of Kentucky, which I have the honor to represent, we are fortunate in

having a great many men and women who devote themselves to 4-H Club work and the success of their efforts is apparent in the many awards won by Kentucky 4-H members. These leaders certainly deserve our wholehearted gratitude for the contribution they are making to a stronger America through the youth of our Nation. The 4-H Club program is one of the finest methods I know of for achieving an informed, courageous and public-spirited citizenry.

Shortly after World War II, a national committee of extension workers spent 2 years considering various 4-H postwar programs. One of the guideposts for developing future 4-H programs which came out of this study was "Serving as Citizens in Maintaining World Peace." From this idea the International Farm Youth Exchange program was started, since the young people and their leaders reasoned that an exchange of rural youth between the United States and other countries would help to clear up misconceptions between peoples, and promote understanding of each others' aims and problems. Participants in the IFYE program actually live and work on farms and in rural communities in this country and other countries for about 6 months. The U.S. delegates who go abroad and the exchangees who come here are thus able to acquire a closer acquaintance with their hosts and their host country. When these young men and women return home they carry on an extensive reporting program to share their experiences with others. These 4-H'ers are truly grassroots ambassadors, and are contributing in a very effective manner to better world understanding.

The continuing theme of National 4-H Club Week is "Learn, Live, Serve Through 4-H," and, in my opinion, it clearly expressed the high ideals and purposes to which these young people have dedicated themselves. 4-H Club members learn numerous skills which will assist them in later life, they strive to live each day in a manner which will reflect credit upon themselves, their families, and their organization, and it is through service that these young people put into practice the training they have received in their 4-H Club projects.

Mr. Speaker, it is indeed a pleasure to extend my very best wishes to the members of the 4-H Clubs and their leaders, and to wish them continued success in all their endeavors.

The Myth of Our \$5 Billion Export Trade Surplus

EXTENSION OF REMARKS

OF

HON. W. J. BRYAN DORN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1962

Mr. DORN. Mr. Speaker, this is a cynical city. Often either by deliberation or by lack of knowledge, astronomical figures are thrown around to prove

a political point. Often such figures are in fact highly misleading.

A current example is the figure of \$5 billion which is attributed to our "export surplus." This figure has appeared in editorials all over the country and has been used by various high public officials in statements which are purported to be authoritative. Yet this \$5 billion export surplus figure is a phony.

In this respect, I would like to quote one of our most distinguished colleagues, the senior Senator from Virginia, who says: "I think it is very deceitful to do this, to publish figures on a dollar basis when we don't receive any dollars."

Certainly the export figures should be revised so as not to include items which are sold for nonconvertible currencies. In our lifetimes, most of these currencies will remain nonconvertible. Nor should these figures include heavily subsidized exports; nor should they include charitable contributions; nor should they include equipment given away abroad under the foreign aid program; nor should they include equipment purchased here by American companies for use in their plants and subsidiaries abroad.

No one knows the exact amount of this equipment which is purchased by American companies for use in their foreign subsidiaries. The Department of Commerce made an estimate that the figure in 1957 for this was in the neighborhood of \$1 billion.

And this is not all. Vast sums are spent in the purchase of American equipment here with funds which are made available through the International Bank for Reconstruction and Development, the Export-Import Bank, Development Loan Fund, Inter-American Development Bank, International Finance Corporation, and even the U.N. Many of these purchases are financed by long-term loans which may never be repaid. In fact, the healthy looking balance sheets of some of these organizations are almost entirely caused by the long-term nature of the loans. The document which I am submitting for the RECORD shows that the actual balance in favor of exports is only slightly more than a quarter of the mythical \$5 billion or \$1,387 million. However, when one considers the lending and other operations which I have just cited, there probably is no balance at all, or a negative one.

I, therefore, include under unanimous consent, the following analysis in the CONGRESSIONAL RECORD so that our colleagues may have an opportunity to study it.

THE MYTH OF OUR \$5 BILLION EXPORT TRADE SURPLUS

The Congress and the American public are being asked to believe that the United States sells approximately \$5 billion more in exports than it pays for imports. The mildest characterization of this claim is to call it a myth.

By endless repetition of Government officials and propagandists, the alleged \$5 billion export trade surplus is being urged as one of the principal bases for the delegation by the Congress to the President of power to eliminate entirely duties on some commodities and to reduce duties on some other commodities up to 50 percent. If true, the claimed favorable export trade balance would

not justify the proposition. The purpose of this paper is, however, merely to establish the misstatements of fact on which the proposition rests.

There can be no validity in a conclusion based on misstatement of fact. When errors of fact are revealed, the proposition which rests on them must be rejected.

The representations concerning the claimed \$5 billion export trade surplus have been made in innumerable news stories, articles, pamphlets, radio and TV broadcasts and otherwise, and stem principally from such representations as the following:

The President in his speech to the AFL-CIO December 7, 1961, said:

"We sell abroad now nearly \$5 billion more than we import, but unfortunately that \$5 billion goes abroad in order to maintain the national security requirements of the United States."

Secretary of State Dean Rusk in a speech to the United Church Women on October 11, 1961, said:

"Last year we sold to other countries almost \$20 billion worth of American goods" while "our purchases from abroad were in the order of \$15 billion."

The Department of State Publication 7321, Commercial Policy Series 183, released in January 1962, states:

"In 1960, the United States sold about \$20 billion worth of commodities abroad * * *"

Note the emphasis on what "we sell," the comparison in Dean Rusk's statement between what "we sold" and "our purchases," and the State Department's claim that our "sales" abroad amounted to \$20 billion.

The fact is that we do not sell exports amounting to \$5 billion more than what we pay for imports. We do not receive \$20 billion for the American goods we export, although we undoubtedly pay \$15 billion for the foreign goods we import.

These figures, which are used to support the argument for unprecedented grant of power to reduce duties even at the expense of injury to some domestic industries and communities, are made up by stating the dollar value of all goods which we export as if we received dollars in payment for all such goods.

We export the goods—we just don't get the dollars.

The Congress and the public are being misled to believe that the figures cited by Government propagandists relate to commercial transactions in international trade.

The total of \$5 billion of export sales over import purchases is attained only by the fantastic, fictitious, and deceitful method of counting gifts as "sales."

The claimed dollar surplus of exports over imports (stated by the Treasury Department in June, 1961, as amounting to \$4.7 billion) has been described by Senator ROBERT S. KERR, of Oklahoma, as "a fictitious figure." In response to a question propounded by Senator HARRY F. BYRD, of Virginia, at a hearing of the Committee on Finance of the U.S. Senate,¹ "You mean you included value of all the wheat and everything we send abroad, for which we get nothing?" Assistant Secretary of the Treasury A. Gilmore Flues answered, "That is included, sir."

Senator Byrd characterized the Government's method of including in the dollar value of exports the value of merchandise for which the United States does not receive dollars in the following statement: "I think it is very deceitful to do this, to publish figures on a dollar basis when we don't receive any dollars."

Although Government statistical reports on exports, imports, foreign aid, subsidized sales and other pertinent factors are not specifically designed to reveal the facts which rebut the myth of the \$5 billion export trade surplus, the true facts can be

¹ Hearings on H.R. 6611, Senate Finance Committee, June 22-23, 1961, p. 34, 35.

gleaned from such statistics and the result is so startling that, even allowing for a margin of error, the basic fact remains; namely, that in the terms of international trade, in commercial transactions, we have not approached a \$5 billion export trade surplus.

The following simple table on exports and imports for 1960 shows the facts:

	<i>Billions of dollars</i>
We exported merchandise valued at...	19.409
We paid for imports from abroad....	14.722
<hr/>	
Thus, we shipped abroad merchandise which, in value, exceeds our payments for imports by.....	4.687
<hr/>	
No dollars were received for the following exports:	
Nonagricultural products valued at (shipped on U.S. grants or foreign aid credits, U.S. suppliers being paid from U.S. Government funds).....	.5
Agricultural products valued at ¹ (U.S. Government paid U.S. suppliers. Foreign nations gave credits in their currencies to be used as grants or loans for projects in the foreign nation).....	1.2
Agricultural products given for famine and emergency relief valued at (U.S. Government paid domestic suppliers).....	.2
<hr/>	
The total value of merchandise exported for which the United States received no hard cash.....	1.9
<hr/>	
Of the merchandise which we shipped abroad exceeding in value our payments for imports, the amount for which the United States received dollars was.....	2.787
Some exports for which the United States received dollars were not strictly commercial transactions such as the sale of cotton at prices below cost and \$42.50 per bale below the price to domestic mills. Some other sales were on credit, "loans" or, in effect, Government subsidy. These "sales" are estimated at.....	1.4
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Thus, on commercial transactions in international trade, the favorable export trade balance was only slightly less than 30 percent of the mythical \$5 billion export trade surplus.....	1.387

¹The goods bartered by the United States for strategic raw materials have been excluded from the exports for which no dollars were received. These exports are valued at \$118 million.

Sources: Statistical Abstract of the United States, 1961, p. 865; U.S. Dept. of Agriculture, Economic Research Service, Rept. No. 84, June 1961; Survey of Current Business, Dec. 1961, p. 16.

The effect of our so-called sales for credits in foreign currency may be illustrated with the following example, which demonstrates the administration's error in using the word "sell" when the right word is "give."

Upon agreement between our Government and Yugoslavia, 500,000 metric tons of American wheat are to be shipped to Yugoslavia. This wheat is valued at approximately \$25 million and will so appear in Government figures showing the dollar value of our exports. The American suppliers of this wheat will be paid in dollars by the U.S. Government. The Yugoslavia Government will make payment in dinars (Yugoslavia currency of uncertain value), by crediting the purchase price to the United States with permission to the United States to apply 10 percent to the expenses of our

Government in Yugoslavia. The other 90 percent will be given back to Yugoslavia as a gift or as a loan which may or may not be repaid and on terms which practically amount to a gift.

These funds are called counterpart funds, that is, funds in foreign currency derived from the sale of U.S. exports, in this case agricultural products, to be expended only in the foreign nation. Press accounts indicate that the United States has offered to approve the expenditure of some counterpart funds derived from the sale of agricultural products for research projects to advance common knowledge in the social welfare and maternal-child welfare fields, including the study of methods of treating children, ways of improving health services, medical care for the aged, juvenile delinquency, credit cooperatives, etc., in Yugoslavia, Poland, and elsewhere, with possible inclusion of India.

It is obvious that in dealing with Yugoslavia, India, Poland, and other foreign nations, the United States does not need to reduce duties on imports in order to induce these nations to continue to accept gifts of exports from the United States.

This country does not have a problem on its favorable balance of trade (considering trade in its usual sense as applying to commercial transactions). This country does have an unfavorable balance of payments. The United States simply pays out by gifts, etc., more than it receives in international dealings. The only practical correction of the problem of unfavorable balance of payments is available to the United States at any time. The correction is to reduce our payments, not our duties.

The foregoing solution is, however, too simple, practical and immediate to appeal to the advisers, the economists and others, particularly in the State Department, who have been guiding and will continue to guide our international trade negotiations. It cannot be expected that the President in the exercise of the vast powers conferred upon his office, including the additional powers sought by impending legislation, can examine into the details of the merits of every proposed transfer of goods from the dutiable list to the free list or drastic reductions in the rates of duty. It must be expected that, if the proposed power over tariffs is delegated by the Congress to the President, he will have to depend upon economists and other advisers, the same ones or their colleagues who have created the myth of our \$5 billion surplus in international trade.

Col. John Glenn

EXTENSION OF REMARKS

OF

HON. BEN F. JENSEN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1962

Mr. JENSEN. Mr. Speaker, at about 1 p.m. today it was my great pleasure and honor to shake the hand of that great American, Col. John Glenn, who challenged the elements of outer space and returned safely back to earth. Unlike his historymaking tour all alone, he visited our National Capital yesterday with his wonderful family, a brave little wife who he introduced to the cheering joint session of Congress, as the rock of the family.

The multitude which gathered along the parade route, who defied wind and

rain to do honor to the man, was indeed living testimony to prove once again that all America can stand united under God in heartfelt thanksgiving. As a member of the subcommittee of appropriations for deficiency requests, I am now more satisfied than ever that I did right in supporting the request for additional funds for the space administration during the last session of Congress, a part of which was spent to finish the construction and preparations for the Glenn flight.

Public Lands and Public Records

EXTENSION OF REMARKS

OF

HON. JOHN E. MOSS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1962

Mr. MOSS. Mr. Speaker, a 4-year fight against unnecessary secrecy in the Bureau of Land Management has been successful. I have just been informed that reports made by the Bureau's engineers on the value of public land for which applications have been filed will now be made available to persons interested in the reports.

At first glance this may seem to be a small matter, but those of us from the fast-growing West recognize the importance of the public lands held in stewardship by the Federal Government. As the pressure for settling these public lands has increased in recent years, there have been complaints about Bureau of Land Management decisions on applications for private use of the land.

Only by making available the records of the Bureau's actions can the complaints be silenced, but for a number of years the basic documents showing land examiners' valuations of parcels of public lands have been withheld from the public. Secretary Udall was asked to look into the secrecy surrounding the Government handling of public lands, and he has informed the subcommittee that field examiners' reports on the value of public lands will now be made available to those who are applying for the lands and to others concerned with public land problems.

Following is the subcommittee's letter of inquiry and the Department's answer:

HOUSE OF REPRESENTATIVES,
SPECIAL GOVERNMENT INFORMATION SUBCOMMITTEE OF THE
COMMITTEE ON GOVERNMENT
OPERATIONS,

December 22, 1961.

HON. STEWART L. UDALL,
Secretary of the Interior, Department of the
Interior, Washington, D.C.

DEAR MR. SECRETARY: Following a study by the Special Subcommittee on Government Information of the availability of reports prepared by Bureau of Land Management field examiners, the Bureau changed its practices and made available to the public a great deal of additional information from the reports. This action was taken in the latter part of 1960—more than 2 years after the subcommittee first questioned the Bureau's information practices—and the first experience with the new system is being gained under the Kennedy administration.

A staff investigation indicates a number of important questions remain unanswered. Under the previous system, a single narrative report was filed by a field examiner reporting on the value of land to be classified as homesites under the Small Tracts Act. All of the facts collected by the field examiner, along with his conclusions and recommendations on the value of each tract, were included in the single report, and the previous administrators of the Interior Department refused to make available all parts of that report. This restriction applied not only to public access to the document but also to access by persons who had applied for the homesites under the Small Tracts Act.

The subcommittee has been informed that under the system which the Bureau of Land Management is now using the field report it divided into a series of documents. These documents include various reports covering the many factors which must be considered in determining the classification and value of public lands. The subcommittee has been informed that nearly all of these documents are public records and, as such, are available to persons applying for homesites under the Small Tracts Act. However, one of the more important documents in the field examiner's report is marked "Administrative use only." Bureau officials informed the subcommittee that this document—form 4-1499 which includes the field examiner's conclusions and the value which he set on the tract being claimed—is not made available to the public or even to persons applying for the specific tract.

This practice appears to conflict with Bureau of Land Management regulations as well as with Interior Department rules. More important, it obviously conflicts with the policy of public access to Government information which President Kennedy set forth in his state of the Union message last January.

A Bureau of Land Management memorandum, identified as release "130 6/27/58," lists the Bureau documents which will be classified as for administrative use only. The memorandum states that comments by employees which are not statements of fact will be restricted to "administrative use only" and adds:

"However, estimates are usually statements based on fact. Therefore, such things as estimates of value * * * are not for administrative use only."

The practice of withholding the field examiner's estimate of value certainly appears to be in direct conflict with this memorandum. If the withholding is required in all cases, it also appears to conflict with Interior Department regulations on the availability of official records. Section 2.2(a) of title 43, Code of Federal Regulations, states that Interior Department employees responsible for the custody of a record shall determine whether disclosure of the record "would be prejudicial to the interests of the Government and whether the person making the request is properly and directly concerned with the subject matter." Persons applying for land under the Small Tracts Act certainly are "properly and directly concerned" with field examiners reports on the value of the land for which they have applied. Yet Bureau regulations apparently prohibit access to such information.

The subcommittee would appreciate an explanation of the apparent conflicts with the Bureau memorandum and Department regulations. The subcommittee also would like a general explanation of the reason for withholding the field examiner's conclusions on the value of specific homesites from persons applying for the homesites. Also, please cite the specific statutory authority for withholding the information.

Sincerely,

JOHN E. MOSS,
Chairman.

DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., February 14, 1962.

HON. JOHN E. MOSS,
Chairman, Subcommittee on Government
Operations, House of Representatives,
Washington, D.C.

DEAR MR. CHAIRMAN: This replies to your letter of December 22, 1961, which we acknowledged on January 12, concerning the availability of reports and other papers prepared by the Bureau of Land Management.

After further consideration, it has been determined that form 4-1499, "Land report—Field examiners conclusions," can and should be revised to remove any limitation on the availability of that record to persons properly and directly concerned, as provided by Department regulations. The Bureau of Land Management will take necessary action promptly to accomplish this revision. In amending its manual instructions the Bureau will also clarify those contained in the memorandum of July 13, 1956 (V BLM 6.1, App. No. 1, release No. 130, June 27, 1958), from which you quote concerning "estimates of value" which have their basis in fact. As in the past, the designated classification officer will continue to make his decision on the basis of facts. The field examiners will continue to investigate and to assemble and present the facts.

Sincerely yours,

STEWART L. UDALL,
Secretary of the Interior.

TV for Rural Areas

EXTENSION OF REMARKS

OF

HON. TOM STEED

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1962

Mr. STEED. Mr. Speaker, today I have introduced a bill concerning certain amendments to the Communications Act of 1934. I believe these amendments are necessary to protect the interest of all Americans and to insure that their wide area VHF television service is maintained and not weakened or destroyed. My action is prompted by the grave danger that millions of people—a great many of them farmers and ranchers—face the imminent possibility of losing all television service or ending up with a degraded technical quality of television service.

I am greatly concerned about the recent proposals of the Federal Communications Commission which could result in all television, nationwide, being switched from VHF channels to UHF channels. My concern is shared by other Members who have expressed themselves on this threat and have also introduced bills and resolutions on this very matter. Our distinguished colleague, the gentleman from Alabama, Mr. ROBERTS, has introduced a bill, H.R. 9267, and my bill is a companion measure. I endorse the remarks that Congressman ROBERTS made in the RECORD on September 19, 1961, on this matter, for I believe that what is at stake here is a matter of important public policy with complex issues that will have far-reaching effects on the future of television service in our country.

The threat facing the American television system is contained in FCC docket

No. 14229. The stated objective of this proposal is to expand television service by encouraging the use of UHF—ultra high frequency—channels. I will support meaningful efforts to increase television service to the American people, but I must oppose any plan which would take consistently good television service away from millions of families who now receive it. I am convinced that the FCC's plan as stated will do just that—provide less service and a technically inferior service. Therefore, I must add my strenuous opposition to that which has already been expressed and oppose FCC docket No. 14229.

In docket No. 14229 the FCC is proposing to switch VHF stations to UHF channels through a process known as "deintermixture" to all-UHF. This means that VHF stations—which have been serving their communities for many years—will be forced to broadcast on a UHF channel regardless of whether they want to do so and despite the fact that this new UHF channel will be unable to provide service over the same wide rural areas that the existing VHF channel reaches.

The FCC plans initially to start a dangerous chain reaction to an all-UHF nationwide television system by switching VHF stations to UHF channels in eight communities. These eight areas are Montgomery, Ala.; Madison, Wis.; Rockford, Ill.; Champaign, Ill.; Hartford, Conn.; Erie, Pa.; Binghamton, N.Y.; and Columbia, S.C.

The FCC has stated that it will propose later that other communities lose their VHF stations and go all-UHF. Regions of the country would be switched to all-UHF and ultimately the entire country.

Like a chain reaction the progressive switch of VHF stations to UHF channels would leave a trail of television service destroyed or deteriorated. Millions will lose their sole source of TV service, millions more will lose their choice of service, and those who will be able to receive the new UHF channel will have less reliable reception than present VHF service.

Within the vast areas of television blackout live the farmers and ranchers who make up much of the economy of my State. It is these people who are extremely dependent on wide area VHF television service for weather news, feed and crop reports, market information and other important reports essential to the intelligent conduct of their business. It is in the public interest that this service is now available via the wide area VHF television service and yet the FCC proposes to take away the only opportunity many of these farmers and ranchers have to receive this service because the UHF channels just will not reach out far enough with a signal to provide these programs. The FCC apparently believes that increased competition would result, with a larger number of stations in small communities. But the history of television broadcasting thus far hardly warrants such a conclusion. My concern, therefore, is very great that the public interest of those people who will lose service or receive a degraded service is being completely ignored by

the FCC. However, I cannot ignore the serious implications of the Commission's all-UHF drive.

It seems to me that neither the VHF channels nor the UHF channels alone can provide adequately for television's future without compromising the existing technical standards and in so doing destroy or deteriorate existing consistently good television service. I have been told, however, that VHF and UHF—all 82 channels—are necessary to protect existing service and still allow room for television's growth. It would seem then that the intelligent approach would be to use the 12 VHF channels and the 70 UHF channels together, side by side, in the same communities and areas.

To successfully effectuate a VHF-UHF side-by-side approach, the FCC should have authority to require that all television sets shipped in interstate commerce be capable of receiving all channels—the present 70 UHF and the present 12 VHF. This would help to eliminate the "root problem" of receiver incompatibility and insure the final success of the side-by-side method of television allocations.

My bill provides for amendments to the Communications Act of 1934, which would protect existing wide area VHF television service, serving vast rural areas, allow for expansion of television via the UHF channels and insure their successful operation side by side with the VHF channels in the same communities through all-channel receivers. This would truly serve the public interest now and guarantee the protection of the public interest in the foreseeable future.

American Heritage Observance

EXTENSION OF REMARKS OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1962

Mr. VAN ZANDT. Mr. Speaker, on Saturday, February 24, 1962, members of Court Eugene A. Garvey No. 652, Altoona, Catholic Daughters of America, sponsored a benefit luncheon, fashion show, and card party to buy books for the library of the new Bishop Guilfoyle High School at Altoona.

Some 400 persons attended this event held at the school. The theme of the observance was based on George Washington and it stressed his honesty as well as his burning desire and tireless efforts for liberty and freedom. It was my privilege to attend this event and to deliver the following address:

OUR AMERICAN HERITAGE

I am indeed honored to address the Catholic Daughters of America.

It is a pleasure to appear before your membership and to assimilate with you the atmosphere of patriotic endeavor, good fellowship, and constructive effort which exists on this occasion.

Your organization is a great force for good.

You believe in the propagation and preservation of your religious faith in promoting the spiritual and temporal welfare of the women of the Catholic Church.

The Catholic Daughters of America exemplifies the traditions of our country and is living testimony to the spirit of liberty in America.

Our country was born in the spirit of humble prayer, undaunted courage, and self-sacrifice.

We have a continuing obligation to restate and reinterpret our American heritage in the light of new political, economic, and social conditions of our time.

Too often our American heritage—our American traditions—are misrepresented and misinterpreted by people who have axes to grind—political or otherwise.

Words and phrases like "democracy," "liberty," "the pioneer spirit," "equality of opportunity," "self-reliance," "local self-rule," and "constitutional government" mean different things to different people.

New problems, new economic and social conditions, demand that we separate the essential American traditions from the non-essential and the outdated, so as to form a belief presented simply and freshly, and explicitly.

The hope of liberty drew our Founding Fathers across the sea to America.

In the pursuit of liberty they braved the dangers of the wilderness, pushing forward over the Appalachians and the Great Plains and through the Rocky Mountains to the shores of the Pacific.

Liberty still beckons to the descendants of the pioneers—to all who have now inherited America.

But liberty beckons in the 1960's along strange trails that the Founding Fathers neither knew or dreamed of.

What is liberty in a country of jet air travel and shining automobiles, supermarkets, large corporations, and labor unions?

Can we hope to continue to find liberty among the struggles of our time?

I firmly believe the reply of "Yes."

But, my friends, liberty has to be founded on security.

It was Daniel Webster who said:

"God grants liberty only to those who live it and are always ready to guard and defend it."

Since 1776 the meaning of "liberty" has changed with changing circumstances.

Our Pilgrim Fathers thought first of the freedom to worship God in their own way.

Today—three centuries later—complete freedom of worship has existed for so long that it is too often taken for granted.

Americans notice with uneasiness, however, that in nations where liberty disappears religious liberty disappears with other freedoms.

This week the United States celebrated the birth date of George Washington.

He was born in 1732—230 years ago.

Despite the vast span of time since his wisdom helped to guide the peoples of the Thirteen Colonies, first through the Revolution, and then through two terms as our first President, George Washington's words are still timely reminders of religious toleration and religious liberty.

Let us never forget it was a people of strong character who built this Nation—and only a strong people can be trusted with our great powers, privileges, and responsibilities.

One has only to read the history of early New England, Virginia, the Atlantic coast settlements, and our own Commonwealth of Pennsylvania, to be impressed by this fact.

Our Founding Fathers were a sturdy lot with strong sense of righteousness, justice, and personal integrity.

This Nation was founded upon the fundamental doctrines of reverence, industry, frugality, sobriety, and honesty.

It was a stern philosophy—but it was Christian—it was not weak.

The earlier settlers—the English, Scotch, Irish, and Scotch Irish, were succeeded by freedom-seeking French, by Germans fleeing from Prussian militarism, by Italians, by Scandinavians, Russians, and others who saw the vision of a land of liberty and opportunity.

They were refugees from political and religious oppression, but they were not fugitives from high moral concepts and disciplined religious living.

There was something noble and great in them which we in our day need if we are to emerge as a people worthy of survival.

We need to be reminded of the greatness of our Founding Fathers.

Their faith in God and country is a platform on which Republicans and Democrats, and others can write in behalf of truth.

It is the direct opposite of Kremlin ideology.

Communism is atheistic.

Our Founding Fathers believed in God.

The cornerstone of a church is an important part of the building's foundation.

So the cornerstone of our democracy is an important part of our Government's beginnings.

But at once someone asks: "What do you mean by democracy?"

President Lincoln answered that question when he spoke of "Government of the people, by the people, for the people."

What Lincoln meant was the right of the people to govern themselves; that is, to govern themselves directly in a local town meeting or indirectly through elected representatives in city, State, or national affairs.

The American way of life has been referred to as the idea of "giving everybody a chance to share in making the rules."

Like a person every nation has an individuality.

If it is to survive that individuality must be preserved.

The social order and the way of life prevalent in a nation are expressions of certain fundamental principles of morality and of government which mark it as distinct from every other nation.

The symbols of our American heritage—the Declaration of Independence, the Bill of Rights, the Gettysburg Address, are the foundations of our republic.

They are the expressions of our national faith—the legacy of America.

Men who would rule by enslavement—always have hated any form of human society based on the principle of freedom of the individual.

Such hatred and fear of a free society caused Benito Mussolini to refer to us as the "stinking corpse of democracy."

Today the same fear of freedom causes other dictators to inspire hatred of democratic principles and institutions which threaten their power over enslaved peoples.

The Iron Curtain with its censorship is an unconscious tribute to the vitality of the idea of human freedom—in our concept of American citizenship.

For today human liberty remains a challenge to dictators and an obstacle in their path.

When danger threatens it is natural to consider means for warding off that danger.

So we are forging a strong shield against the danger—a shield beyond which the free world may live in peace.

For our own national security we must build our strength, our political, economic, moral, and military strength, and the strength of all the other peaceful nations of the world into a force for the discouragement of aggression.

Granted this is only relative security, but there is no such thing as absolute security in the world today.

For so long as there is danger of aggression—only an economically unacceptable amount of military power can guarantee freedom from it.

We could—if we wished to curtail many of our basic inherent freedoms—become an armed camp fully mobilized.

However, we realize that even this would not be total security.

Meantime our job today is to so discourage any potential aggressor by our timely preparation that he will not accept the risk of an attack.

The price of peace in the world of today is continual preparedness.

It took a terrible war to teach us this.

But we also learned that our most powerful weapon was—and is—our moral fiber as a people.

This moral fiber grows—not from a disregard of our American heritage—but grows from the kind of discipline which our Founding Fathers developed.

It is the kind of discipline that makes good citizens cheerfully obey the rules and regulations.

It is the kind of discipline that allows us "the pursuit of happiness"—without a headlong rush into chaos.

We do know that a well-disciplined citizenry stands a better chance of national salvation when the moment of decision arrives—than a citizenry unaccustomed to orderly respect of its foundation stones.

We need to bring our American traditions out in the open.

They still stand for the principles that will not perish.

A Little-People-to-Little-People Program

EXTENSION OF REMARKS

OF

HON. FRANCIS E. WALTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1962

Mr. WALTER. Mr. Speaker, this past week our colleague, Congressman ROVINO, presented a very meritorious proposal—one that every American parent should encourage. I refer to the little-people-to-little-people program instituted by our colleague's 10-year-old son, Peter.

I wholeheartedly endorse this movement. National leaders from all over the world daily are trying to solve the everyday problems that have been created mainly because of jealousy and ignorance.

Therefore, it becomes a natural thing for the children of this great Nation to educate other children of the world on the true meaning of Americanism.

The various veterans groups—the American Legion and Veterans of Foreign Wars—and parent-teacher groups, all have thrown their support behind the young people-young people campaign.

These groups see in such a program, if properly handled, a unique opportunity for our children to lead the fight of freedom everywhere against the Red menace.

We can be sure that the Communist nations of the world will try to use this means to further their own cleverly contrived propaganda campaigns. It is not unreasonable for us to believe that many of the letters that will originate from

behind the Iron Curtain will be the handiwork of trained Communists trying to indoctrinate our own youngsters in the ways of communism.

However, I think it is worth the chance. The pen pal idea has proven profitable down through the years in developing everlasting friendships.

American youngsters, I feel, will join this children's crusade and effectively bring to the attention of the world the true meaning of democracy in America.

Remarks by Vice President Lyndon B. Johnson at Luncheon in Honor of Lt. Col. John H. Glenn, Jr.

EXTENSION OF REMARKS

OF

HON. GEORGE P. MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1962

Mr. GEORGE P. MILLER. Mr. Speaker, all America glows with pride over the accomplishments of Lt. Col. John H. Glenn and our American astronauts, as well as the achievements of American scientific ingenuity.

Yesterday, Congress and official Washington paid a fitting tribute to Lt. Col. John Glenn. Following the very outstanding presentation by Colonel Glenn on the floor of the House before the joint meeting of Congress, a luncheon was held in the Colonel's honor. The remarks made by the Vice President on the occasion of this luncheon are most appropriate in stating the basis for America's space explorations and recognizing a few of those who have been in the forefront of the development of the space frontier.

I am proud and pleased to insert in the RECORD these brilliant statements of Vice President JOHNSON.

The statements follow:

REMARKS BY VICE PRESIDENT LYNDON B. JOHNSON AT LUNCHEON IN HONOR OF LT. COL. JOHN H. GLENN, JR., FEBRUARY 26, 1962

My friends and fellow Americans, this day belongs to Lt. Col. John H. Glenn and his fellow astronauts, the space pioneers of the New Frontier.

Our people are rejoicing. Rafts may dampen the streets of Washington but they cannot dampen the mood of exhilaration that is deep within all of us.

There is a reason for this that goes beyond the magnitude of the achievement itself. It can be found in the character of the men who are blazing trails in the heavens.

We have held to the belief that in a democracy men who are adequate will arise to any situation, no matter how perilous. And we have proved that belief in men like John H. Glenn, Alan Shepard and Gus Grissom.

These are the men of absolute competence, complete devotion, sure courage and high purpose who are leading us to the stars. And, behind them, we have millions of the same breed.

I can list only a few but some that I cannot name will be as important as those that I do.

The greatest administrator, Jim Webb.

Mr. Wisdom of Science, Hugh Dryden.

Mr. Gilruth, who did as much as any living man to make the Glenn flight a success.

Senator LAUSCHE, the senior Senator from Colonel Glenn's native State.

Walter Williams, whom we had trouble locating this morning.

Senator BOB KERR, the able and imaginative head of the Aeronautical and Space Sciences Committee.

GEORGE P. MILLER, the wise leader of the House committee.

The beloved former Speaker, JOE MARTIN, and the fair and nonpartisan Senator, ALEX WILEY.

Congressmen ALBERT THOMAS, FRANK BOW, MIKE KIRWAN, all of whom helped finance this great effort and Colonel Glenn's own Congressman, TOM MOOREHEAD, as well as my own associate, Ed Welsh.

Like the astronauts themselves, our space program has been neither provocative nor timid. We have not rattled atomic bombs among the stars; nor have we shrunk from the full consequences of what we are doing.

We have proceeded with confidence, with sureness, with boldness tempered by prudence—and we have proceeded in the full light of day. We have not treated outer space as a vast collection of secrets which we hope to lock up in a steel safe, away from humanity.

Colonel Glenn, you and your fellow astronauts have done much more than advance human knowledge. You have also advanced the confidence that men should have in themselves and the Nation and the cause of freedom will always be grateful to you.

President's Proposal for Underwriting Cost of Vaccines for Immunization of All Children Under 5 Years of Age Recalls Approach of 1955 Sullivan Bill on Polio Immunization

EXTENSION OF REMARKS

OF

HON. LEONOR K. SULLIVAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1962

Mrs. SULLIVAN. Mr. Speaker, we have all been impressed, I believe, by the comprehensive message just presented to us today by President Kennedy on proposals to meet the health needs of the American people. This is a great challenge, and one I believe the Congress should and can meet in this session.

Mr. Speaker, while I endorse the general principles in the President's message and am delighted with the forthright manner in which he has again presented his views on this important issue, I am particularly pleased by his proposal for Federal underwriting of the cost of providing vaccines for the immunization of all children under 5 years of age in this country against polio, diphtheria, whooping cough, and tetanus. His approach to this problem recalls the proposal I made here on June 27, 1955, at the height of the confusion and chaos over the then brandnew Salk vaccine, when I suggested that the Federal Government buy the entire limited output and make it available for immunization of all children on a priority basis, without regard to economic circumstances of the families of the children involved.

My bill, H.R. 7026 of the 84th Congress, would have solved all of the priority headaches by turning the full supply of available vaccine over to the National Foundation for Infantile Paralysis for mass inoculation of children under priorities to be determined by that organization.

NOT A "DEAD HORSE"—WE SHOULD LEARN FROM PAST MISTAKES

This may now sound something like ancient history, Mr. Speaker, to hark back to events of 7 years ago, but it is not a case of "beating a dead horse." We made serious mistakes in 1955 in the handling of the polio vaccine opportunity, and it took several years before the panic and the hysteria over the immunization of children against this dread disease could be resolved in some orderly fashion.

The Department of Health, Education, and Welfare in 1955 was so fearful of charges of "socialism" in the handling of the polio problem that it was willing to do little more than provide Federal funds for purchase of vaccine for the indigent. Many parents, meanwhile, paid exorbitant "black market" prices for Salk vaccine for their children, and the priorities often favored those willing to pay the highest fees. This should never have happened. I believe that the bill I introduced 7 years ago would have prevented much of the heartbreak and panic.

The problem today is much different. There are no real scarcities of vaccines. The problem is to assure that every child obtains the immunization we can provide. The best way to assure this, I believe, is through the approach the President now proposes of having the Federal Government provide the funds for the immunization of all children under 5, to get the program started on a comprehensive basis. Then the problem will be to make sure children born later are immunized, and that older children and adults are also immunized—but this can then be accomplished through educational activities with a minimum of Federal cost. There is a tremendous job, however, to begin the elimination of all four diseases cited by the President for which effective vaccines now exist, and I hope we can carry through on this.

The mistakes of 1955 in connection with the polio vaccine are therefore worth citing and remembering at this time, so that we can learn from—profit from—previous errors.

APPROACH OF THE SULLIVAN BILL OF 1955

Mr. Speaker, I submit as part of my remarks the speech I made in the House on June 27, 1955, in connection with the introduction of H.R. 7026, as follows:

SALK ANTIPOLIO VACCINE

Mrs. SULLIVAN. Mr. Speaker, I am today introducing a bill to have the Federal Government purchase sufficient quantities of the Salk antipolio vaccine to provide for the inoculation of all of the children in the United States under the age of 20.

The vaccine so purchased would be turned over to the National Foundation for Infantile Paralysis for allocation and distribution by the foundation, but under the general supervision of the Department of Health, Education, and Welfare. But it would be up to the national foundation—and, of

course, that is the logical organization to have that authority and responsibility—to see to it that all of the children get this vaccine in the most equitable and efficient manner, deciding where it is needed most geographically and which age groups should have it first, and so on. The inoculations would be free. This is an idea on which I have been working since May 13 when Dr. Scheele appeared before us in the Banking and Currency Committee. I think it is the best approach.

FURTHER MATERIAL SUBMITTED BY MRS. SULLIVAN ON JUNE 27, 1955

Mr. Speaker, I also include at this point the additional material I submitted to the House on June 27, 1955, on the bill I introduced that day on the polio vaccine issue, including a press release on the bill and the text of the bill itself, as follows:

VESTING IN THE NATIONAL FOUNDATION FOR INFANTILE PARALYSIS SUFFICIENT QUANTITIES OF SALK VACCINE TO INOCULATE FREE ALL CHILDREN IN THE UNITED STATES UNDER THE AGE OF 20

(Extension of remarks of Hon. LEONOR K. SULLIVAN, of Missouri, in the House of Representatives, Monday, June 27, 1955)

Mrs. SULLIVAN. Mr. Speaker, as I announced to the House today, I have introduced a bill which has been in preparation for more than a month which would authorize the purchase by the United States of sufficient quantities of antipoliomyelitis vaccine to inoculate every child in the country, without charge. The actual allocation and distribution of the vaccine under my bill would be in the hands of the National Foundation for Infantile Paralysis.

I suggested this approach on May 13, when Dr. Leonard Scheele, the Surgeon General of the U.S. Public Health Service, was testifying before the House Banking and Currency Committee. While he voiced no official policy on that suggestion, he said he personally could see no objection to turning the whole thing over to the polio foundation. I then attempted to obtain the views of the foundation itself, but was unable to do so until just recently, when Mr. Basil O'Connor testified before the Senate Labor Committee. His testimony—in answer to persistent questioning—finally gave me the information I felt I needed before I introduced any legislation on the subject. In other words, we now have the word of the foundation that it can do this job; we also have the information from them as to how they would prefer to handle it in case it was thrust upon them.

I think they should have the responsibility. They do not ask for it. But they can handle it. And no other organization in the country, including no Government agency, could handle it as well, in my opinion.

Mr. Speaker, I have issued a press release which gives the full details on my bill, and I include it, and also a copy of my bill, as follows:

"CONGRESSWOMAN SULLIVAN TO INTRODUCE BILL TO TURN OVER TO NATIONAL FOUNDATION FOR INFANTILE PARALYSIS ENOUGH SALK VACCINE TO INOCULATE FREE ALL CHILDREN UNDER 20 YEARS OF AGE

"Congresswoman LEONOR K. SULLIVAN, Democrat, of Missouri, plans tomorrow (Monday) to introduce a bill which would have the Government purchase and turn over to the National Foundation for Infantile Paralysis sufficient supplies of the Salk antipoliomyelitis vaccine to immunize all children in the United States under the age of 20. The inoculations would be free.

"Mrs. SULLIVAN first broached this idea on May 13 during a hearing of the House Committee on Banking and Currency while she was questioning Dr. Leonard A. Scheele,

Surgeon General of the U.S. Public Health Service. Dr. Scheele said that, speaking personally, he could see no objection to turning such a mass immunization program over to the National Foundation.

"The Congresswoman, 3 days later, on May 16, wired Basil O'Connor, president of the National Foundation for Infantile Paralysis, asking if he thought her proposal 'would be a practical approach and if the foundation would be willing to undertake the burden of the work. I can think of no better way of assuring fair distribution of the vaccine. Would you give me your views?' She said she would introduce such a bill if the foundation agreed.

"Mrs. SULLIVAN received no direct answer from the foundation. Mr. O'Connor asked for time to think over her suggestion. Failing in a subsequent effort to get a definite statement of views on this matter from Mr. O'Connor, Mrs. SULLIVAN waited until the foundation head testified before the Senate Committee on Labor and Education when, under persistent questioning, he finally, reluctantly, acknowledged that the National Foundation for Infantile Paralysis had the competency to inoculate all children in the country if the vaccine were supplied.

"The National Foundation, which financed Dr. Salk's research leading to the development of the vaccine, and also the field tests involving nearly a million children in 1953 and 1954, is now in the process of providing free inoculations for all first- and second-grade children.

"In his testimony before the Senate committee, Mr. O'Connor said the foundation would be reluctant to take Government money in carrying out a mass inoculation program. 'We would follow the policies that the Red Cross has always followed of not accepting Government funds. If that was officially presented to us, we would prefer that the Government buy the vaccine and give us the vaccine and vest it in us as we did in foreign civilian relief in the Red Cross.'

"After reading this testimony, Mrs. SULLIVAN decided to go ahead with the idea she had put forward on May 13 of having the Federal Government, through the Department of Health, Education, and Welfare, purchase the vaccine from the manufacturers, and then turn over the entire program of allocation and distribution of the vaccine for all children under 20 to the National Foundation for Infantile Paralysis, without regard to the ability of individual families to pay for the inoculations.

"The Congresswoman declared: "The confusion which arose because of the Government's original failure to have any practical program for allocation or distribution of the vaccine, or to assure that every child in the country would receive the vaccine regardless of ability to pay started this whole thing off on the wrong foot. The administration fumbled the thing terribly. Its present proposal for the free inoculation of indigent children puts too much of a charity connotation on this program. It is not charity. All the people of the United States have paid for the development of this vaccine through their dimes and dollars to the National Foundation.

"The Foundation pioneered the vaccine. It has paid for its development. It has pledged \$9 million it does not even have to carry out the school inoculation program for first and second graders. It has been engaged in this work for 20 years. It knows the priorities and the needs, both by age groups, geographically, and so on. You would have no question of blackmarketing or of anything of that nature, for no one, no matter how much money he had, could possibly corrupt the Foundation or argue with its decisions on who should get the vaccine and in what order.

"My bill provides for the inoculation of all children under 20 by the end of 1956

with vaccine supplied by the Federal Government. I understand it will take until about then to make sure we have the 160 million separate shots of the vaccine needed to immunize the 59 million children under 20, giving 3 shots to each, including a third shot for the children who have already been covered.

"Once this mass inoculation program is complete, then of course the antipolio immunization program could be carried on in routine fashion through normal channels as any other vaccination program is regularly handled. But there is nothing normal about the demand for this vaccine, and the problem it creates in assuring fair treatment for all, particularly in such an emotional area as this where the health of children is involved."

"Mrs. SULLIVAN said her bill differs from the one introduced by all seven Democratic members of the Senate Labor Committee, which also provides for free inoculation of all children under 20 in that S. 2147, the Senate bill, provides for grants of money to the States to purchase and distribute the vaccine, whereas her bill has the Federal Government buying the vaccine directly, but authorizing the National Foundation, under the general supervision of the Secretary of Health, Education, and Welfare, to have complete control of allocation, distribution, and regulation of the use of the vaccine.

"The Sullivan bill is attached, as follows:

"H.R. 7026

"A bill to provide for the purchase by the United States, and the distribution by the National Foundation for Infantile Paralysis, of a sufficient supply of poliomyelitis vaccine to immunize all children in the United States under 20 years of age against paralytic poliomyelitis

"Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in order to promote the general welfare, raise the standard of health for all children of the United States, and institute the most effective and equitable plan for the eventual elimination of the scourge of paralytic poliomyelitis among the American people through mass immunization of all children under 20 years of age on a priority basis, without regard to their ability to pay for the vaccine, the Secretary of Health, Education, and Welfare shall purchase a supply of poliomyelitis vaccine sufficient to carry out such an immunization program as provided in section 2 of this Act.

"Sec. 2. The National Foundation for Infantile Paralysis, under the general supervision of the Secretary of Health, Education, and Welfare, is hereby authorized to—

"(1) develop a program for the allocation and distribution of all poliomyelitis vaccine purchased by such Secretary.

"(2) establish priorities by age group and geographical location for the allocation and distribution of such vaccine in such a manner as to make the vaccine available to all children in the United States under 20 years of age, and

"(3) regulate the use of such vaccine, under the provisions of this Act, in such a manner that will assure its most effective and equitable use in combating the spread of paralytic poliomyelitis in the United States.

"Sec. 3. For the purposes of this Act the term "United States" includes Alaska, Hawaii, Puerto Rico, the Virgin Islands, Guam, American Samoa, the Canal Zone, and the District of Columbia.

"Sec. 4. There are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this Act.

"Sec. 5. This Act shall terminate not later than December 31, 1956."

Lincoln Day Address, 1962

EXTENSION OF REMARKS

OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1962

Mr. VAN ZANDT. Mr. Speaker, during the observance of the Lincoln Day period it was my pleasure to deliver a series of addresses throughout the State of Pennsylvania and in West Virginia.

Among the various Lincoln Day dinners I attended in Pennsylvania was one sponsored by the Young Republican Club of Wyoming County which was held at Tunkhannock, Pa., February 14, 1962, and at which I delivered the following address:

ADDRESS BY REPRESENTATIVE JAMES E. VAN ZANDT, MEMBER OF CONGRESS, 20TH DISTRICT OF PENNSYLVANIA, LINCOLN DAY ADDRESS AT TUNKHANNOCK, PA., FEBRUARY 14, 1962

ACROSS the country this month Americans are pausing to commemorate the birthday of Abraham Lincoln, the martyred President who saved our Nation and emancipated a race.

His era in history was one of trouble and tribulation and his life has been a symbol to all mankind of the hope, opportunity, and freedom that is America.

Today, as we honor the man who was our first Republican President, his words come thundering down across the years as forcefully vital and true as when he first uttered them more than a century ago.

He brought to us a message of hope, of faith in ourselves, and in the wisdom of the Nation's Founders.

Lincoln was a great politician—in the highest sense of the term.

He loved people.

But he made it clear that he did not consider them infallible, for he said:

"It is true that you may fool all the people some of the time; you can even fool some of the people all the time; but you can't fool all of the people all the time."

I believe that is the message of hope which Lincoln brings to our party today.

For, in my opinion, the high-sounding oratory and rosy promises which marked John F. Kennedy's campaign in 1960, and his administration since then, are beginning to sound empty.

The indecision and weakness which sent an abortive band of Cuban rebels against Fidel Castro without U.S. air or naval support, the failure to honor our commitments in Laos, the vacillation which allowed the Communists to erect a wall sealing off East Berlin from the West, all are somehow inconsistent with the picture of strength and determination which brought Mr. Kennedy his victory at the polls in 1960.

The American people, who for more than a year have witnessed the lack of decisive action by the self-styled "New Frontier," now are beginning to ask some rather searching questions.

Why, they wonder, has the State Department used foreign aid and its diplomatic power to force the Lao to accept a government chosen for it by Nikita Khrushchev?

Why did the administration cancel out the air support for the Cuban invasion after it was underway, thus dooming more than 1,200 freedom fighters to imprisonment or death before Castro's firing squads?

Why were the Communists permitted to erect in Berlin, in absolute violation of five separate treaties and agreements signed since World War II, a wall which now locks in hundreds of thousands of East Germans

and denies the previously guaranteed right of free access within the city?

Why were repeated pleas by the U.S. commander in that blockaded city asking for permission to tear down the wall not answered by Washington?

Why has this administration so consistently sided with neutralists and Communist nations against the Western Powers and thus strained relations with such longtime, dependable allies as Britain, France, Belgium, Portugal, and the Netherlands?

Why did we express simple regrets at the naked Indian aggression in Goa and then calmly announce that the incident would not influence whatsoever our multimillion dollar program of assistance to Nehru?

Why, when we supposedly are dedicated to the principle of self-determination for all peoples, are we openly siding with the pro-Communist Indonesian Government in its attempt to take over as a colony Dutch New Guinea?

Despite Mr. Kennedy's campaign promise to the contrary, why has this administration refused to protect its nuclear superiority through the resumption of atmospheric testing, even though the Russians broke the moratorium on experiments by setting off more than 30 such blasts, one of them a 50-megaton monster bomb?

Why did this administration approve a \$133 million contribution to the pro-Communist Government of Ghana for construction of a dam on the Volta River?

Why did our economic growth, which averaged 3.1 percent annually during the Eisenhower administration and which Mr. Kennedy claimed was too slow, slip to 1.8 percent during his first year in office?

Why did average unemployment rise to a 20-year high last year with little prospect for improvement?

Why did a pledged farm income of 90 percent of parity drop to the 1939 depression low of 79 last year?

Why did a farm program that Mr. Kennedy told the people would cost a billion and a half—possibly \$2 billion less than the Eisenhower program—actually cost a billion and a half dollars more?

Why have depressed area funds—earmarked for the rehabilitation of hard-hit urban communities, been dumped into such places as Gassville, Ark., which has a population of 233, to establish a shirt factory for low wage nonunion labor?

Why did Government payrolls increase by about 90,000 persons last year, despite Mr. Kennedy's campaign pledge to curtail Government spending and payroll padding?

Why, when he pledged that Civil Rights legislation would be among the first orders of business if he were elected, did President Kennedy refuse to endorse the bill he had called for?

Why was our prestige lowered around the world by irresponsible campaign talk about "missile gaps" which was later disproved, but which conveyed to other Nations at the time that we were a second-rate power and they had better turn to Russia for safety's sake?

Why were 150,000 reservists recalled to duty in what one high administrative official later admitted was a "mistake"?

The people will want to know why a presidential candidate who denounced family favoritism as "dangerous to our national morality" later put more of his relatives on the public payroll than perhaps any other President in history.

The people will also wonder why President Kennedy insists on surrounding himself with advisors and special assistants whose views are alien to our American philosophy, including, for example, one who openly has suggested the replacement of our form of Government with a welfare state as "the best answer to communism."

There will be other questions, too.

Explanations will be demanded for the \$3.9 billion deficit compiled in fiscal 1961 after the Eisenhower administration had willed to the New Frontier a program which would have resulted in an \$800 million surplus.

There is also the question of the Eisenhower budget which would have produced a \$1.5 billion surplus in the current fiscal year, but instead is resulting in a \$6.9 to \$10 billion deficit.

But if the performance of the New Frontier during its first year in office is any indication, the people will receive, instead of answers, a fuzzy assortment of evasions and old-fashioned doubletalk.

You can take my word for it that when such conduct happens—the ordinarily slow-to-arouse American people will understand the mistake they themselves made in November 1960 when they elected to office an administration made up of political confidence men.

The result will be a voter's rebellion, which will sweep a Republican Congress into office in 1962 and a Republican administration into the White House in 1964.

When this happens, we will be able to return to the solid principles laid down more than a century ago by Lincoln when he said:

"I insist that if there is anything which it is the duty of the whole people never to entrust in any hands but their own, that thing, is the preservation and perpetuity of their own liberties and institutions."

As stewards of the Republican Party, we must pledge anew our courage and our determination to keep sacred these principles and to oppose with all our vigor those programs which we believe will violate them. Lincoln's philosophy of government was simple.

He summed it up in these words:

"We see it, and to us it appears like principle, and the best sort of principle at that, the principle of allowing the people to do as they please, with their own business."

He described this philosophy of government as true republicanism and was confident and content to allow the people of the Nation to judge his administration accordingly.

And the people did judge accordingly.

Following Lincoln's tragic visit to Ford's Theater on the night of April 14, 1865, a grief-stricken and shocked American public dedicated itself to a perpetuation of the beliefs and principles he had given his life to strengthen.

Although his two greatest legacies to his country were the preservation of its unity and emancipation of the Negro, he also gave us our first veterans' benefit system, established the Department of Agriculture, opened Federal land to homesteaders and inaugurated our national banking system.

Because of his leadership and the goals of Republican government he set, Lincoln's successors brought our Nation the majority of the benefits it has received since.

Under Republican Presidents, the 14th and 15th amendments were added to our Constitution, extending to Negroes the right to vote and other privileges; the Departments of Justice, Commerce, and Labor were created; we acquired Alaska, Midway, Hawaii, Guam, Puerto Rico, and the Philippines; the first conservation program was started, establishing fisheries, national parks and forest services, the Geological Survey and the Bureau of Mines; the Civil Service Commission was established; Pan American Organization became a reality and immigration laws were enacted.

We stimulated development of our industries and agriculture through tariff acts and a reciprocity policy; monopolistic trusts were outlawed with the Sherman Antitrust Act; we inaugurated the Government's reclamation and irrigation program and built the Panama Canal.

A Republican Congress gave our women the right to vote.

We achieved the first voluntary arms limitation agreement with foreign powers, established the executive budget system, and promoted cooperative marketing in agriculture.

All this was done by Abraham Lincoln and by his Republican successors, prior to the advent of Franklin Roosevelt.

And despite the onslaughts of the New and Fair Deals on constitutional and Lincolnian principles during the 20 years that followed, Republicans in Congress successfully defeated many legislative attempts which would have led to even more government and less individual freedom.

With the election of Dwight D. Eisenhower in 1952, the Republican Party began the task of reestablishing the rights and privileges which had been weakened by the New and Fair Deals and reasserting the objectives of our party.

The record of the 8 Eisenhower years is indisputable evidence that this was done, and done during 6 of those years over the opposition of Democrats who controlled Congress.

We brought an end to the costly Korean war which a Democratic administration had forbidden us to win; we rebuilt our depleted armed services and brought a neglected missile and space program to a point where it was superior to all others in the world.

We put atomic energy to peaceful uses, raised employment to its highest peak in history, and checked the devaluation of our dollar.

Under the Eisenhower administration we also gave Americans the highest standard of living the world had ever known and increased our gross national product by one-fourth; raised wages and family income to new highs; extended social security protection to 12 million additional workers; and created the Department of Health, Education, and Welfare.

We halted the trend toward centralization of government in Washington, strengthened State and local authority, expanded farm markets, broadened conservation and resources programs and gave the Nation four balanced budgets in 8 years, as compared with three in 20 Democratic years.

We created the Small Business Administration and brought Alaska and Hawaii into the Union as States.

We brought these and thousands of other benefits to the American people, because our party always has been, and will continue to be, dedicated to the principles of free enterprise and individual initiative spelled out in our Federal Constitution and championed to the degree of martyrdom by Abraham Lincoln.

In 1859 Lincoln made this pledge: "I have enlisted for the permanent success of the Republican cause."

We can do no less today. Let us, each of us, on this occasion, pledge anew our determination to work for victory, because the welfare and success of our party means the welfare and success of our country.

Voice of Project Mercury Deserves Commendation

EXTENSION OF REMARKS
OF

HON. JESSICA McC. WEIS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1962

Mrs. WEIS. Mr. Speaker, yesterday the Congress, the people of Washington

and, indeed, the entire Nation paid tribute to Lt. Col. John Glenn, and his six fellow astronauts who are pioneering America's efforts to explore space.

I want to say just a word today about still another member of the Project Mercury team who, in my opinion, is richly deserving of high praise. I refer to Lt. Col. John A. "Shorty" Powers, the man whose voice kept the entire world informed, step-by-step, of America's first successful manned orbital flight.

It was Colonel Powers, calm and emotional throughout the entire tension-packed day, who, from the Mercury Control Center, relayed up-to-the-minute reports on the progress of the space flight. His was the responsibility of keeping the world posted at all times on how the flight was going, and he did a superb job. His voice, as it went out over the airwaves to all parts of the globe, demonstrated conclusively to the world how a free country operates its space programs, openly and honestly. As we honor the Project Mercury team, I want to say a special "thank you" to Lt. Col. John A. Powers, the official voice of Project Mercury.

Peter Rodino III's Little-People-to-Little-People Program

EXTENSION OF REMARKS
OF

HON. DANIEL K. INOUE

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1962

Mr. INOUE. Mr. Speaker, I was very much impressed by the remarks of my colleague, the Honorable PETER RODINO, which appeared in the CONGRESSIONAL RECORD of February 15 concerning the little-people-to-little-people program.

I would like, first of all, to express my congratulations to Congressman RODINO's 10-year-old son, Peter, for giving expression to this idea and, of course, to Congressman RODINO for recognizing its potential and for giving encouragement for its application.

The children and youth of our country, surprisingly, are not deaf nor blind to the problems confronting the world today. Though their grasp and understanding of the complexities of these problems are at times incomplete and even sometimes naive, still we cannot help but recognize the basicity of their concern over such things as peace and war. After all, it is their future that is at stake and they have every right to take an interest in our efforts.

I, too, have received many letters from the children of Hawaii expressing their concern over world events. Their plea for world peace is an inspiration—a guide to the trees in this forest of congressional activities.

The people-to-people program has been preempted exclusively for adult participation and promotion. It serves a useful and valuable purpose, and I am

happy to say that the State of Hawaii has risen to the challenges of this program as evidenced by its sister city af-

filiations and student and businessmen exchange programs. The little-people-to-little-people program would be an ap-

propriate corollary to the adult program. It has great merit and is certainly deserving of all encouragement.

HOUSE OF REPRESENTATIVES

WEDNESDAY, FEBRUARY 28, 1962

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

Isaiah 12: 2: *Behold God is my salvation; I will trust and not be afraid.*

Eternal God, whose divine love always responds to those who truly seek Thee, we are again entering into fellowship with Thee through the gateway of prayer which is never closed to those who come unto Thee with a humble spirit and a contrite heart.

May each new day be one of unclouded vision for our President, our Speaker, and all the chosen representatives of our Republic as they take counsel together and courageously seek to deliver suffering and struggling humanity from the evil forces of aggression and aggrandizement.

Purge us from everything which dwarfs and deadens our capacities for noble service and may we discharge all our duties and responsibilities with a pure and steadfast devotion.

In Christ's name we pray. Amen.

THE JOURNAL

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

SWEARING IN OF MEMBER

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from New York, Mr. BENJAMIN S. ROSENTHAL, be permitted to take the oath of office today. His certificate of election has not arrived, but there is no contest, and no question has been raised with regard to his election.

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

There was no objection.

Mr. ROSENTHAL appeared at the bar of the House and took the oath of office.

CANADA-UNITED STATES INTER-PARLIAMENTARY MEETING

The SPEAKER. The Chair makes the following appointments, which the Clerk will read:

The Clerk read as follows:

Pursuant to the provisions of section 1, Public Law 86-42, the Chair appoints as members of the U.S. delegation of the Canada-United States Interparliamentary Group for the meeting to be held in Ottawa, Canada, from February 28 to March 4, 1962, the gentleman from California [Mr. JOHNSON], and the gentleman from Hawaii [Mr. INOUYE], to fill the existing vacancies thereon.

COMMITTEE ON BANKING AND CURRENCY

Mr. MILLS. Mr. Speaker, I offer a privileged resolution (H. Res. 553) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That HAROLD M. RYAN, of Michigan, be, and he is hereby, elected a member of the standing committee of the House of Representatives on Banking and Currency.

The resolution was agreed to.

A motion to reconsider was laid on the table.

MANPOWER DEVELOPMENT AND TRAINING ACT OF 1961

Mr. POWELL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for further consideration of the bill (H.R. 8399) relating to the occupational training, development, and use of the manpower resources of the Nation, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from New York.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 8399, with Mr. MAHON in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday the gentleman from New York [Mr. POWELL] had 16 minutes remaining, and the gentleman from Pennsylvania [Mr. KEARNS] had 25 minutes remaining.

The Chair recognizes the gentleman from New York [Mr. POWELL].

Mr. POWELL. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. O'HARA].

Mr. O'HARA of Michigan. Mr. Chairman, during the course of yesterday's debate a number of questions arose with regard to the fashion in which this bill, if enacted into law, would operate. In particular, there were questions with regard to an alleged conflict of responsibility between the Secretary of Labor and the Secretary of Health, Education, and Welfare, and with regard to the effect of enactment of this legislation upon existing vocational education and on-the-job training programs. I will direct myself to those questions.

In practical operation the manpower retraining program would work something like this: First, the Secretary of Labor would, through the facilities of the Bureau of Labor Statistics, the U.S. Employment Service and other divisions of the Department of Labor determine occupational—

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

Mr. O'HARA of Michigan. I yield to the gentleman from Pennsylvania.

Mr. KEARNS. Mr. Chairman, is the gentleman going to be able to support the amendment that will be offered?

Mr. O'HARA of Michigan. I wish to say to the gentleman from Pennsylvania that I think the proposed amendment has a number of very good features and I support both the amendment and the bill.

Mr. KEARNS. I thank the gentleman.

Mr. O'HARA of Michigan. Mr. Chairman, the first step involves the selection through testing, interviewing and counseling of persons who are able and qualified to take training and want such training for new jobs. The jobs for which they will be trained would depend upon determinations by the Department of Labor and by the various State employment agencies. They would determine what the job needs and the training needs of their area were and they would select the occupations for which trainees would be trained.

Second, the States, under the provisions of their agreements with the Secretary of Labor and the Secretary of Health, Education, and Welfare, would provide suitable training programs to equip selected trainees with the desired skills. They would use existing public and private vocational training schools and agencies and on-the-job training programs.

Mr. Chairman, during the debate yesterday, the gentleman from Georgia [Mr. LANDRUM], raised a question with regard to the operation of other vocational training programs if this program were to be enacted into law. I think it should be made very clear at this point that, as far as trainees under this program go, they must be selected and referred to training by the State employment agencies; but this would in no way affect the operation of other vocational education programs and in particular it would not require a referral by the Secretary of Labor before taking part in existing programs such as the area vocational institute programs under the National Defense Education Act. They would continue as before.

The Federal Government would pay the cost of training under the act for unemployed trainees and up to 50 percent of the cost for trainees who have jobs of one sort or another and who are engaged in training for upgrading purposes.

During the course of the training program the Secretary would pay trainees a training allowance roughly equivalent to unemployment compensation benefits.

Persons being trained on on-the-job training programs would, of course, be receiving some payment from their employers and their training allowance would be reduced accordingly.

Mr. Chairman, with regard to this matter of training allowances, the com-